Twenty15

NIAGARA REGION BUDGET SUMMARY

Niagara Region

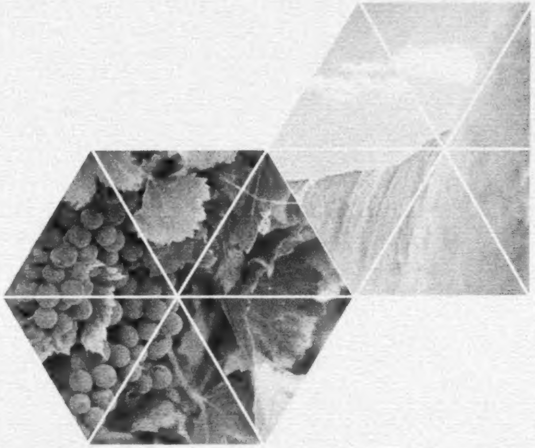
On behalf of Corporate Services and the Budget Review Committee, we are pleased to present the 2015 levy, rate and capital budget summaries, approved by Regional Council on February 19, 2015.

This budget summary provides the details of expenditures and revenues by department and program area of service, as well as the resource plan for the delivery of Council's 2015 - 2018 Strategic Priorities.

The 2015 budget maintains all current programs and services and provides funding for new and enhanced services that will support economic prosperity. Highlights include:

- $2.7 million to advance inter-municipal transit in Niagara, including new transitroutes to connect GO Transit stops along the QEW
- Advancing advocacy and planning for GO Transit in Niagara, including a mobility hub study that will look at potential GO transit stations in St. Catharines, Grimsby, Niagara Falls and Beamsville
- $2.3 million in funding to support economic development initiatives, including Niagara's Economic Action Plan that will support business growth and job creation
- $2.2 million to fund tax grants and financial incentives for new and existing industrial and commercial businesses
- $1.7 million to fund a range of employment supports and activities that will enable vulnerable residents to achieve independence through sustainable employment
- Ongoing funding to ensure the availability of high-quality, subsidized childcare options for working parents
- Increased investments in frontline staff to support emergency medical and community services to enable a healthy and strong Niagara
- $53.6 million for Niagara's transportation road network, including funding for the Central Avenue Bridge replacement and road resurfacing throughout the region
- $56 million to fund water and wastewater treatment, transmission and collection infrastructure, including upgrades to the Welland Wastewater Treatment Plant, Port Colborne Water Treatment Plant and pump station improvements
- $10 million to proceed with the court facilities renewal project, to establish new accommodations for Provincial Offences courthouses in Niagara

Description	Levy Budget	Rate Requisitions	Total Operating Budget	Capital Budget	Total Budget
Gross Expenditure	690,673,902	168,324,290	858,998,192	155,702,857	1,014,701,049
Revenue	(368,776,386)	(24,626,794)	(393,403,180)	(23,523,442)	(416,926,622)
Net Total	**321,897,516**	**143,697,496**	**465,595,012**	**132,179,415**	**597,774,427**



FORWARD/BUDGET SUMMARY

On February 19, 2015 Regional Council approved a 2015 tax levy increase of 1.92 per cent after assessment growth. A homeowner with a residence valued at $236,134, will pay an increase of approximately $27.50 from the 2014 tax levy.

This budget focuses on maintaining existing services and supporting new programs that will enable economic prosperity, while limiting the impact to tax payers to less than the rate of inflation.

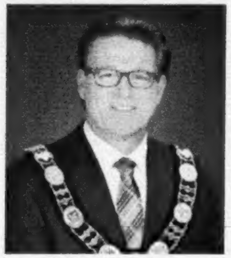
Rate programs including, water, wastewater and waste management services, are recovered from the local area municipalities through rates and requisitions. The wholesale variable water rate to the local municipalities is unchanged from 2014. The wholesale fixed water requisition decreased by 1.88 per cent, while the wholesale fixed wastewater requisition increased by 0.66 per cent. The waste management requisition will increase by 1.13 per cent. These annual impacts are approximate and will vary municipality to municipality.

The capital budget is submitted for approval annually and contains planned capital expenditures.

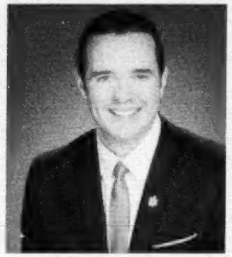
Capital projects and their respective funding sources are provided in the 2015 capital budget summary. In addition, a 10 year capital forecast in the amount of $1,631,039,827 has been proposed and is illustrated in the 2015 capital budget and nine year forecast.

We would like to extend our appreciation for the support offered by staff and Council, and for their dedication to the budget process.

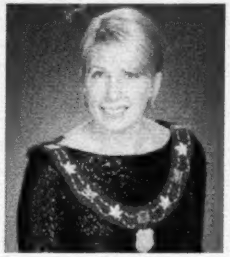
RESPECTFULLY SUBMITTED:



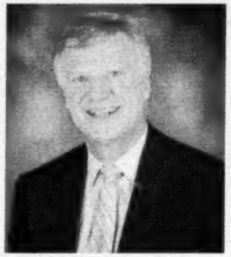
Alan Caslin
Regional Chair



David Barrick
Chair Budget Review
Committee of the Whole



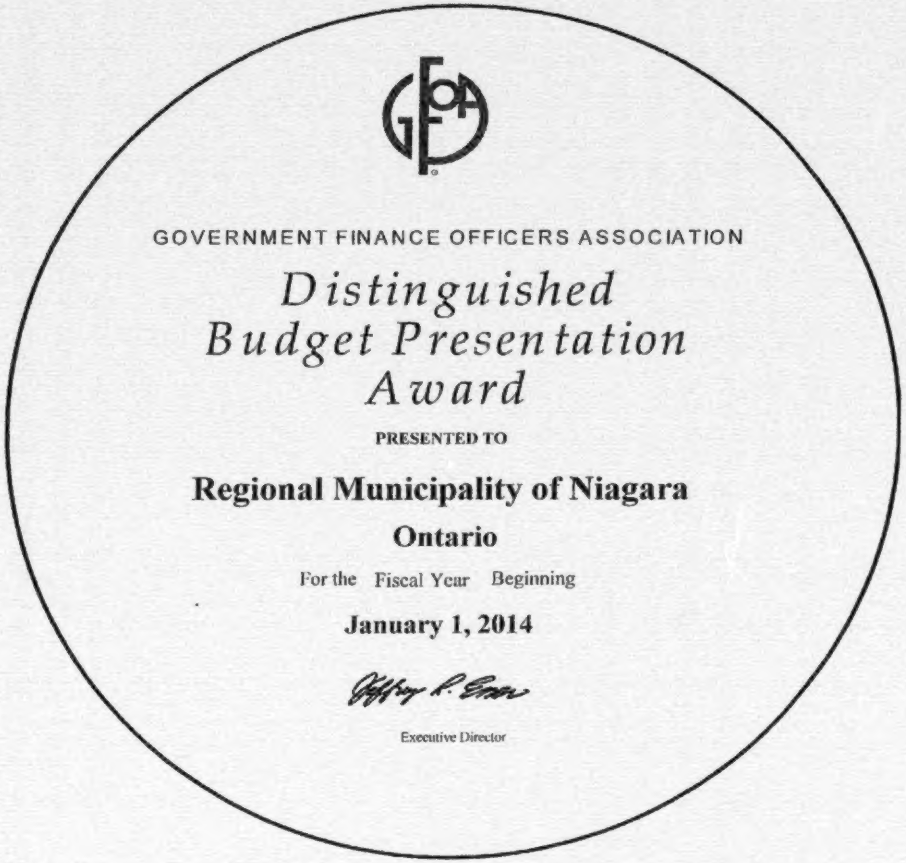
April Jeffs
Vice-Chair Budget Review
Committee of the Whole



Harry Schlange
Chief Administrative
Officer

Maurice (Mo) Lewis
Commissioner,
Corporate Services
and Treasurer

Helen Chamberlain
Director of Financial
Management and Planning
and Deputy Treasurer



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Regional Municipality of Niagara

Ontario

For the Fiscal Year Beginning

January 1, 2014

Jeffrey R. Esser

Executive Director

Niagara Region received the Government Finance Officers Association of the United States and Canada Distinguished Budget Presentation Award for its annual budget.

A recipient must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan and a communications device.

CONTENTS

NIAGARA REGION

About Niagara Region 6
Council's Strategic Priorities 2015 - 2018 7
Corporate Management Team 8
Regional Council and Chair 9
Staff Complement Full Time Equivalents (FTE) 10

2015 OPERATING BUDGET

Guidance Overview 12
2015 Budget Overview 13
2015 Operating Budget Revenue Summary 14
2015 Budget Reconciliation Cash vs. Accruals 16
Multi-Year Levy Budget Summary 17
2015 Operating Summary by Department 18

2015 CAPITAL BUDGET

2015 Capital Budget Overview 21
2015 Capital Budget Summary by Department 23
2015 Capital Budget Summary by Project 25

2015 OPERATING & CAPITAL BUDGET DEPARTMENTS, BOARDS AND AGENCIES

Corporate Administration (CA) 33
Community Services 36
Corporate Services (CSD) 43
Economic Development (ED) 49
General Government (GG) 52
General Government: Net Revenue (GG NR) 54
Governance (GOV) 55
Planning and Development Services 57
Public Health (PH) 60
Public Works (PW) 66
Court Services (POA) 79
Niagara Peninsula Conservation Authority (NPCA) 81
Niagara Regional Housing (NRH) 83
Niagara Regional Police Service (NRPS) 86

2015 FINANCIAL STRATEGY

Financial Strategy Overview 89
Long-Term Debt Strategy 90
Annual Repayment Limit Forecast 93
2015 Capital Budget with Nine Year Forecast 93
2015 Reserves and Reserve Fund Forecast 94

APPENDIX

Appendix 1.1 - Explanation of Object of Expenditure 98
Appendix 1.2 - Revenues 99
Appendix 1.3 - Financial Policies and Guidelines 100
Appendix 1.4 – Capital Budget Summary Details 102

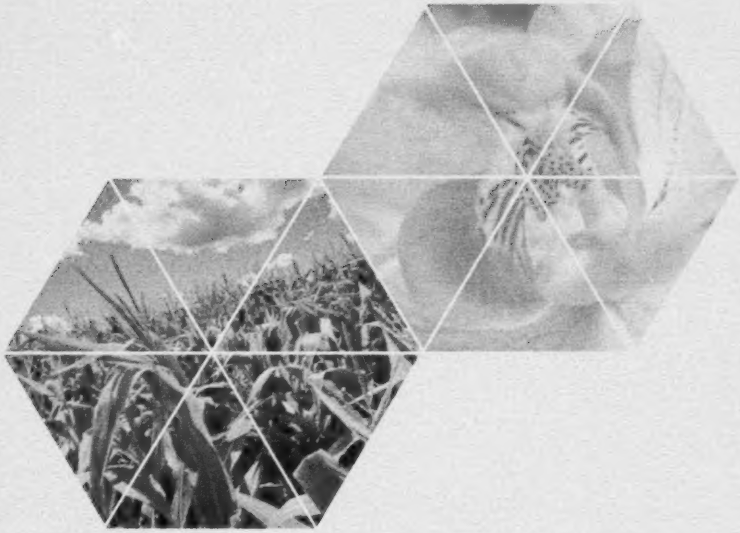
Twenty15

NIAGARA REGION

ABOUT NIAGARA REGION

Niagara is a culturally rich and historically significant region offering its 444,192 residents a mix of urban and rural living. The region boasts a diverse economy that includes manufacturing, tourism, agriculture and agribusiness, transportation and logistics, and emerging sectors such as new media, green technology and bioscience. Located between two Great Lakes, Erie and Ontario, Niagara's many natural features and proximity to Toronto and to the United States, with which it shares a border, continue to shape the region's evolution as a centre of commerce and an international tourism destination.

Niagara Region is one of six regional governments in Ontario. On January 1, 1970, under the Regional Municipality of Niagara Act, 26 municipalities were merged into 12 area municipalities and the counties of Lincoln and Welland were transformed into The Regional Municipality of Niagara.



Regional government responsibilities, as delegated by the Province of Ontario, include:

- Policing
- Water and wastewater
- Waste management
- Regional arterial roads
- Public health
- Social assistance
- Long-term care
- Children's services
- Affordable housing
- Paramedic and emergency services
- Economic development
- Planning services
- Conservation and management of natural resources
- Legal and Court Service (Provincial Offences Act)

Regional government operations are overseen by Niagara Regional Council which is composed of 30 elected representatives from 12 area municipalities, plus the Regional Chair. The current Regional Council was elected in October 2014 and the 31 members will serve for a four-year term to December 2018.

COUNCIL'S STRATEGIC PRIORITIES 2015 - 2018

On February 5, 2015, Niagara Regional Council established strategic priorities to enable a more prosperous Niagara. The priorities will help Niagara grow, create attractive places for business and investment, and help our residents thrive through greater opportunities. It was developed with input from Council members, residents, community partners, business leaders and area municipalities.

STRATEGIC PRIORITIES 2015 - 2018

MOVING PEOPLE AND GOODS

Create strong linkages between all modes of transportation for people and goods.

FOSTERING INNOVATION, INVESTMENT AND ENTREPRENEURSHIP

Provide necessary infrastructure to foster growth and be a catalyst to attract investment.

BUILDING A LABOUR-READY WORKFORCE

Economies are facing rapid change and unique skills and training are required to stay ahead of the competition.

POSITIONING NIAGARA GLOBALLY

Diversify Niagara's population, economy and opportunities.

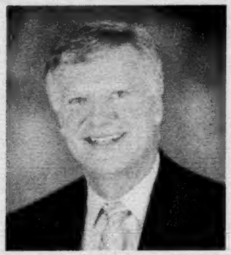
DOING BUSINESS DIFFERENTLY AND ADVANCING ORGANIZATIONAL EXCELLENCE

Build a strong internal foundation for Niagara Region to enable a more prosperous Niagara.
These priorities will be monitored and evaluated based on the following performanace outcomes over the next four years:

- Community symptoms
- Employment
- Growth
- Infrastructure
- Investment
- Taxation

For full details, including key projects and performance dials visit www.niagararegion.ca/priorities

CORPORATE MANAGEMENT TEAM



Harry Schlange
Chief Administrative Officer

Dr. Valerie Jaeger
Medical Officer of Health and Commissioner

Katherine Chislett
Commissioner
Community Services

Maurice (Mo) Lewis
Commissioner
Corporate Services and Treasurer

Ron Tripp
Commissioner
Public Works

Rino Mostacci
Commissioner
Planning and Development

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

- Corporate Services Department
- Planning and Development Department
- Community Services Department
- Public Health Department
- Public Works Department

REGIONAL COUNCIL COMMITTEES

- Budget Review Committee of the Whole
- Planning and Development Committee
- Corporate Services Committee
- Public Works Committee
- Public Health and Social Services Committee

BOARDS AND AGENCIES

Court Services (POA)
Ken Beaman, Chair
Joanne Spriet, Associate Director, Court Services

Niagara Peninsula Conservation Authority
Bruce Timms, Chair
Carmelo D'Angelo, Chief Administrative Officer/ Secretary Treasurer

Police Services Board
Bob Gale, Chair
Andrew Petrowski, Vice-Chair

Niagara Regional Housing
Shirley Cordiner, Chair
Maryellen MacLellan, General Manager

OTHER SUPPORTING SERVICES

Auditors - KPMG LLP

Fiscal Agents - National Bank Financial Inc., RBC Capital Markets, CIBC World Markets Inc

Fiscal Solicitor - Borden Ladner Gervais

Insurance Broker - HUB International Ontario Limited

Banker - The Royal Bank of Canada

REGIONAL COUNCIL AND CHAIR

REGIONAL CHAIR, **ALAN CASLIN**

CITIES

NIAGARA FALLS

Jim Diodati, Mayor
Bob Gale
Bart Maves
Selina Volpatti

PORT COLBORNE

John Maloney, Mayor
David Barrick

THOROLD

Ted Luciani, Mayor
Henry D'Angela

ST. CATHARINES

Walter Sendzik, Mayor
Kelly Edgar
Brian Heit
Debbie MacGregor
Andrew Petrowski
Tim Rigby
Bruce Timms

WELLAND

Frank Campion, Mayor
Paul Grenier
George Marshall

TOWNS

FORT ERIE

Wayne Redekop, Mayor
Sandy Annunziata

GRIMSBY

Bob Bentley, Mayor
Tony Quirk

LINCOLN

Sandra Easton, Mayor
Bill Hodgson

NIAGARA-ON-THE-LAKE

Patrick Darte, Lord Mayor
Gary Burroughs

PELHAM

Dave Augustyn, Mayor
Brian Baty

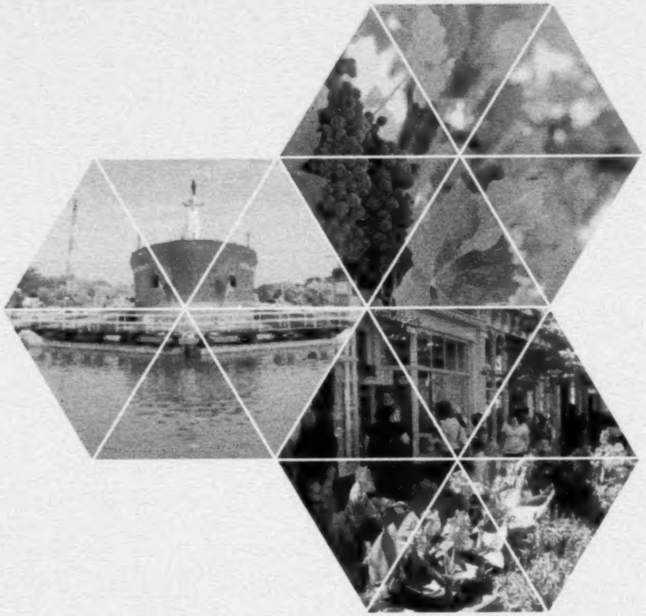
TOWNSHIPS

WAINFLEET

April Jeffs, Mayor

WEST LINCOLN

Douglas Joyner, Mayor



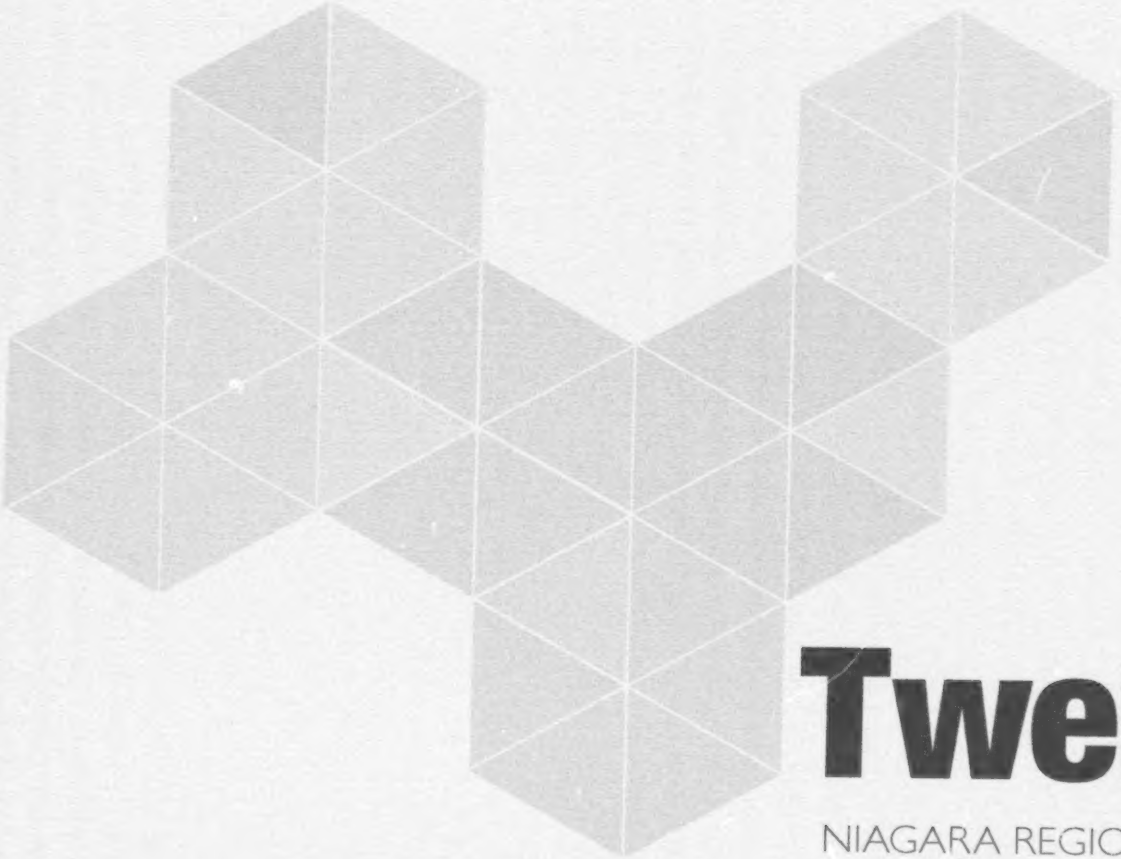
STAFF COMPLEMENT FULL TIME EQUIVALENTS (FTE)

Regional Departments	2013*	2014**	2015
Administration			
Chief Administrative Officer	4.0	4.0	4.0
Corporate Communications	8.0	8.0	8.0
Corporate Print & Mail Services	6.0	6.0	6.0
Corporate Records	6.0	6.0	6.0
Human Resources Services	42.7	43.7	43.7
Organizational Performance & Accountability	9.0	11.0	11.0
Sub-Total	75.7	78.7	78.7
Corporate Services Department			
Administrative Services	3.0	3.0	3.0
Financial Management & Planning	53.7	59.2	60.5
IT Solutions	52.0	53.0	54.0
Legal Services	10.0	9.0	10.0
Properties Management	43.2	43.2	44.2
Sub-Total	161.9	167.4	171.6
Community Services Department			
Commissioner	2.0	2.0	2.0
Social Assistance & Employment	215.4	189.6	189.6
Children's Services Division	77.9	77.9	77.9
Seniors Services Division	813.7	813.7	831.0
Homelessness Services and	7.6	10.6	11.6
Sub-Total	1,116.5	1,093.7	1,112.0
Economic Development	6.0	6.0	6.0
Emergency Services			
Emergency Medical Service	297.5	316.0	336.0
Emergency Preparedness	3.3	2.3	2.3
Sub-Total	300.8	318.3	338.3
Governance			
Clerks Secretariat & Administration	9.0	8.0	8.0
Members of Council	-	-	-
Office of the Regional Chair	3.0	1.0	1.0
Responsive Region Improvement Team	3.0	3.0	3.0
Sub-Total	15.0	12.0	12.0

Regional Departments	2013*	2014**	2015
Planning & Development			
Community & Long Range Planning	11.0	16.0	18.0
Development Planning	11.0	10.0	10.0
Infrastructure Planning & Engineering	9.0	5.0	5.0
Planning & Development Administration	3.0	3.0	3.0
Sub-Total	34.0	34.0	36.0
Public Works Department			
Fleet	21.6	20.6	20.6
PW - Transporation Operations	132.0	131.0	131.0
PW Administration	5.0	2.0	2.0
Transportation - Administration	4.0	4.0	4.0
Transportation Engineering	12.0	15.0	15.0
Transportation Planning	12.0	11.0	11.0
Sub-Total	186.6	183.6	183.6
Public Health Department			
Chronic Disease & Injury Prevention	42.9	40.2	40.2
Clinical Services	73.1	73.3	73.3
Environmental Health	45.0	46.0	46.0
PHD - Family Health	117.0	117.0	115.8
PHD - Medical	6.0	5.0	6.0
PHD - Mental Health	41.5	43.0	43.0
Organizational & Foundational Standards	25.0	24.5	24.4
Sub-Total	350.4	348.9	348.7
Sub-Total Regional Departments	2,246.8	2,242.6	2,286.8
Boards and Agencies			
Court Services (POA)	27.0	27.0	27.0
Niagara Regional Housing	46.6	49.0	49.0
Niagara Peninsula Conservation Authority	53.5	53.5	53.5
Niagara Regional Police Services	1,022.0	1,017.0	1,018.0
Sub-Total Boards and Agencies	**1,149.1**	**1,146.5**	**1,147.5**
Total Tax Supported Programs	3,395.9	3,389.1	3,434.3
Water Treatment	100.0	101.0	101.0
Wastewater Treatment	131.6	134.6	134.6
Waste Management	33.6	32.6	32.6
Total Rate Supported Programs	265.2	268.2	268.2
Grand Total	3,661.0	3,657.3	3,702.5

**2013 complement has not been adjusted to reflect the 2014 method of presentation, which excludes temporary full time equivalents*

***Includes in year budget adjustments*



Twenty15

NIAGARA REGION OPERATING BUDGET

GUIDANCE OVERVIEW

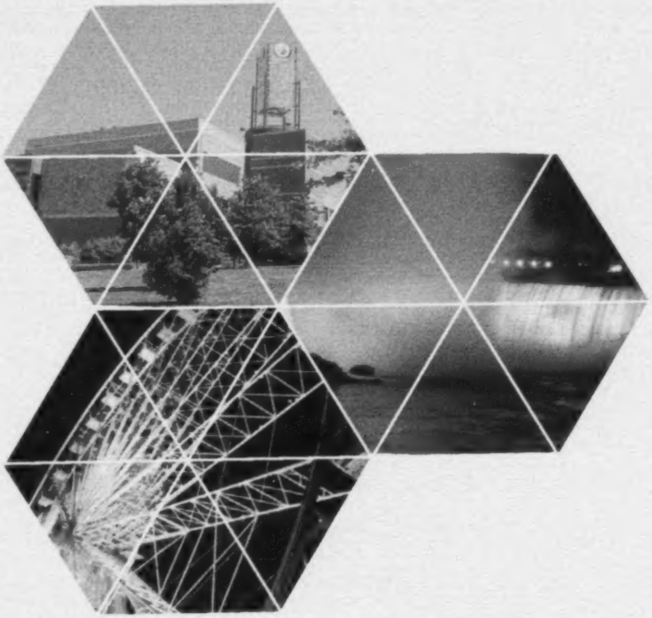
Our guidance policy is based on the premise that outside of best efforts to reduce budgets and minimize the potential of annual increases, a framework is provided that sets a ceiling for annual budgets - tied directly to economic factors in our community.

In our annual and multi-year budgeting, guidance sets a financial target to ensure practical and cautious use of taxpayer dollars. This direction is provided at the beginning of the budget process, typically in early June of each year. Guidance applies to all departments, boards and agencies; however the focus is to ensure Niagara Region Police Services (NRPS) representing 45.1 per cent of the net tax levy, meets the financial target, and that all other Niagara Region departments and boards meet the target in aggregate.

The policy establishes guidance by adding the annual inflation pressures for goods and services (the Niagara Region uses the Bank of Canada's Core Consumer Price Index to estimate), with our forecast assessment growth, in a given year from new properties.

The goal is to ensure that budgets brought forward are considered affordable to the average tax payer.

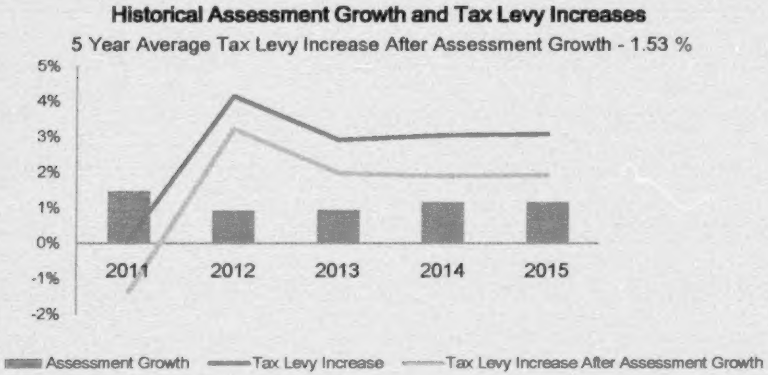
Refer to the appendix for a full review of all financial policies followed by the Niagara Region.



2015 BUDGET OVERVIEW

We use our budget as a means of allocating resources to provide the services and maintain the infrastructure that residents and businesses of the Region depend on.

Our operating budget process begins in March of each year, running through to December. Unlike some other levels of government, our municipal budget year mirrors the calendar year, running from January to December. While the budget is typically approved in December, final tax rates are not set until the February of the following year, as the Municipal Property Assessment Corporation (MPAC) uses December to finalize property assessments. Historical assessment growth is as follows:



Assessment growth is an estimate at time of budget approval

The operating budget provides for the everyday operation of our services. It includes salaries and benefits, the purchase of services from other groups, companies or agencies, along with costs for repairs and maintenance, and materials and supplies. It would be the equivalent of your personal budget for groceries, a morning coffee, lunch and gas for your vehicle.

The budget process requires each department, board and agency to review their existing budgets to historical spend. This process is supported by our quarterly variance forecasting. The quarterly reports can be found at: http://niagararegion.ca/business/finance/quarterly-reports/default.aspx. In addition to a review of prior spending patterns, adjustments are made for known process improvements and efficiencies, the economic indicators of the community, and business plans of the corporation as set out by Regional Council.

In a typical budget year, department budgets are completed in early September and presented and reviewed by Council over a three month period concluding with approval in December.

Due to the new term of Council, the 2015 budget was approved in Feburary 2015.

2015 OPERATING BUDGET REVENUE SUMMARY

Description	2014 Budget $*	2015 Budget $	2015 Change $
Taxation - Levy	(328,672,347)	(336,569,992)	(7,897,645)
Taxation - Rate	(142,567,949)	(143,697,496)	(1,129,547)
Ontario/Canada Grants	(266,354,766)	(272,780,457)	(6,425,691)
Fees & Service Charges	(38,767,421)	(39,487,247)	(719,826)
Other Revenue	(46,345,317)	(49,186,570)	(2,841,253)
Transfers from Reserves & Reserve Funds	(15,443,337)	(17,276,430)	(1,833,093)
Total Revenue	(838,151,137)	(858,998,192)	(20,847,055)

REVENUE SUMMARY DETAIL

		2014 Budget $*	2015 Budget $	Change $
Taxation - Levy				
	Levy	(312,304,925)	(321,897,516)	(9,592,591)
	Payment in Lieu	(12,005,060)	(10,277,547)	1,727,513
	Supplemental	(4,362,362)	(4,394,929)	(32,567)
		(328,672,347)	(336,569,992)	(7,897,645)
Taxation - Rate				
	Wastewater	(64,928,122)	(66,151,788)	(1,223,666)
	Water	(42,294,019)	(41,966,906)	327,113
	Waste Management	(35,345,808)	(35,578,802)	(232,994)
		(142,567,949)	(143,697,496)	(1,129,547)
Ontario/Canada Grants				
	Community Services	(191,180,061)	(196,568,008)	(5,387,947)
	Corporate Services	(35,155)	(35,155)	-
	Emergency Services	(22,282,688)	(23,619,288)	(1,336,600)
	Niagara Regional Housing	(12,252,136)	(10,417,525)	1,834,611
	Niagara Regional Police Services	(5,971,132)	(6,883,464)	(912,332)
	Public Health	(30,543,744)	(31,282,267)	(738,523)
	Waste Management	(4,089,850)	(3,974,750)	115,100
		(266,354,766)	(272,780,457)	(6,425,691)
Fees & Service Charges				
	Community Services	(23,243,915)	(23,667,308)	(423,393)
	Corporate Administration	206,619	(2,500)	(209,119)
	Corporate Services	(90,000)	(38,200)	51,800

2015 OPERATING BUDGET REVENUE SUMMARY CONT'D

		2014 Budget $*	2015 Budget $	2015 Change $
	Emergency Services	(2,004)	(2,500)	(496)
	Planning & Development	(856,100)	(971,548)	(115,448)
	Niagara Regional Police Services	(7,023,988)	(7,158,390)	(134,402)
	Public Health	(406,119)	(392,119)	14,000
	Public Works Levy	(2,606,000)	(2,537,390)	68,610
	Waste Management	(3,102,875)	(3,107,603)	(4,728)
	Water & Wastewater	(1,643,039)	(1,609,689)	33,350
		(38,767,421)	(39,487,247)	(719,826)
Other Revenue				
	Court Services (POA)	(9,035,207)	(8,734,995)	300,212
	Fare Revenue	(613,000)	(655,472)	(42,472)
	Investment Income	(12,419,795)	(13,219,795)	(800,000)
	Niagara Regional Housing Revenue	(13,278,688)	(13,278,688)	-
	Police Secondment Revenue	(1,105,032)	(1,430,640)	(325,608)
	Proceeds on Rent, Concessions and Franchises	(365,255)	(331,893)	33,362
	Proceeds on the Disposal of Capital Assets	(490,000)	(515,000)	(25,000)
	Waste Management	(7,230,412)	(9,297,752)	(2,067,340)
	Other	(1,807,928)	(1,722,335)	85,593
		(46,345,317)	(49,186,570)	(2,841,253)
Transfer from Reserves & Reserve Funds				
	Community Services	(1,261,904)	(1,064,013)	197,891
	Corporate Administration		(475,000)	(475,000)
	Corporate Services	(101,365)	(44,858)	56,507
	Emergency Services		(1,448,313)	(1,448,313)
	General Government	(3,298,174)	(3,702,150)	(403,976)
	Governance	(28,000)		28,000
	Niagara Peninsula Conservation Authority	(300,000)	(300,000)	-
	Niagara Regional Housing	(89,000)	(24,000)	65,000
	Planning & Development	(1,750,000)	(1,829,000)	(79,000)
	Niagara Regional Police Services	(700,000)	(400,000)	300,000
	Public Health	(171,578)		171,578
	Public Works Levy	(1,028,165)	(1,084,686)	(56,521)
	Water & Wastewater	(6,050,000)	(6,600,000)	(550,000)
	Corporate Employee Recognition Team (CERT)	(41,850)		41,850
	Investment Income Stablization	(373,301)	(304,410)	68,891
	Sick Leave	(250,000)		250,000
		(15,443,337)	(17,276,430)	(1,833,093)
	Total Revenue	(838,151,137)	(858,998,192)	(20,847,055)

**Includes in year budget adjustments*

2015 BUDGET RECONCILIATION CASH vs. ACCRUALS

The Niagara Region, like most municipalities, does not budget for amortization and its annual impact on tangible capital assets, changes in the employee future benefit liabilities, and changes in the solid waste landfill closure and post closure costs liability. These items are required to show the Niagara Region's net financial position for Public Sector Accounting Board (PSAB) reporting purposes, but are mostly non-cash items and are therefore not included in the operating budget presented. As demonstrated by the nil net surplus/(deficit) the operating budget prepared and presented includes all cash required by the Niagara Region to fulfill its in year obligations and provide service in year. In accordance with Ontario Regulation 284/09 the Niagara Region must report to Council the impact of non-budgeted items on the 2015 budget during the budget process. For the 2015 budget cycle this was presented in report CSD07-2015. If these non-budgeted items were included in the annual operating budget it would result in an estimated net surplus of $67.9 million in 2015.

	2014* Budget $	2015 Budget $	Change $
Revenue			
Taxation - Levy	(328,672,347)	(336,569,992)	(7,897,645)
Taxation - Rate	(142,567,949)	(143,697,496)	(1,129,547)
Ontario/Canada Grants	(266,354,766)	(272,780,457)	(6,425,691)
Fees & Service Charges	(38,767,421)	(39,487,247)	(719,826)
Other Revenue	(46,345,317)	(49,186,570)	(2,841,253)
Transfers from Reserves & Reserve Funds	(15,443,337)	(17,276,430)	(1,833,093)
Total Revenue	(838,151,137)	(858,998,192)	(20,847,055)
Expense			
Departments	426,189,695	438,543,272	12,353,577
Boards & Agencies	71,533,216	70,607,795	(925,421)
Goveneral Government	17,977,666	20,107,507	2,129,841
Niagara Regional Police Services	157,754,435	161,415,328	3,660,893
Rate Programs	164,696,125	168,324,290	3,628,165
Total Expense	838,151,137	858,998,192	20,847,055
Net Surplus/(Deficit)	-	-	-
Public Sector Accounting Board (PSAB) Reporting Requirements			
Capital Program Funding earned in year	139,830,000	96,900,000	(42,930,000)
Capital Projects not resulting in tangible capital assets	(12,223,000)	(10,000,000)	2,223,000
Amortization	(69,048,000)	(70,000,000)	(952,000)
Principal Debt Repayment	23,727,000	54,200,000	30,473,000
Landfill Liability decrease	500,000	600,000	100,000
Employee future benefits increase	(4,200,000)	(3,800,000)	400,000
Net PSAB Surplus	78,586,000	67,900,000	(10,686,000)

** Includes in year budget adjustments*

MULTI-YEAR LEVY BUDGET SUMMARY

Object of Expenditure Description	2014 Budget $*	2015 Budget $	2016 Budget $	2017 Budget $
Personnel Costs	334,785,840	350,061,847	358,587,607	365,688,634
Administrative expenses	6,659,313	6,652,686	6,860,662	7,062,590
Materials, Supplies & Utilities	30,169,551	29,843,003	31,832,577	32,780,310
Repairs & Maintenance	10,620,273	10,942,266	11,636,237	11,703,297
Purch. Serv. & Other Operating Exp.	80,557,232	82,331,676	82,921,029	84,303,508
Social Assistance	106,889,082	108,705,137	113,048,027	117,564,526
Financial Expenditures	55,791,653	59,835,846	59,985,293	59,126,807
Capital Equipment & Renovations	1,495,372	1,212,376	1,381,637	1,406,966
Housing Provider Subsidy & Supplements	29,223,771	27,606,535	27,641,428	28,128,879
Transfers to Reserves & Reserve Funds	37,755,458	36,172,664	40,984,118	45,020,611
Allocations Between Departments	(2,515,487)	(2,307,440)	(2,352,196)	(2,399,706)
Allocations Within Departments	(246,783)	(242,246)	(250,731)	(255,746)
Allocations to Capital Program	(1,957,644)	(3,872,923)	(2,696,651)	(2,261,044)
Gross Expenditure	689,227,631	706,941,427	729,579,037	747,869,632
Taxation - Levy	(16,367,422)	(14,672,476)	(14,506,622)	(14,288,393)
Ontario/Canada Grants	(262,264,916)	(268,805,707)	(274,191,482)	(281,780,910)
Fees & Service Charges	(34,021,507)	(34,769,955)	(35,492,439)	(36,214,722)
Other Revenue	(39,102,905)	(39,851,818)	(40,773,268)	(41,896,519)
Transfers from Reserves & Reserve Funds	(9,393,337)	(10,676,430)	(9,170,066)	(8,118,993)
Gross Revenue	(361,150,087)	(368,776,386)	(374,133,877)	(382,299,537)
Net Direct Expenditure before Indirect Allocation	328,077,544	338,165,041	355,445,160	365,570,095
Indirect Allocation	(4,518,965)	(4,974,272)	(4,989,367)	(5,076,653)
Debt Allocation	(11,253,654)	(11,293,253)	(8,891,703)	(7,491,038)
Net Indirect Allocation	(15,772,619)	(16,267,525)	(13,881,070)	(12,567,691)
Net Expenditure/(Revenue) after Indirect Allocation	312,304,925	321,897,516	341,564,090	353,002,404
Tax Levy		3.07%	6.11%	3.35%
Assessment Growth		1.15%		
Tax Levy After Assessment Growth		1.92%		

**Includes in year budget adjustments*

2015 OPERATING SUMMARY BY DEPARTMENT

Description	2014* Gross Expenditure $	2014* Revenue $	2014* Net Expenditure $	2015 Gross Expenditure $	2015 Revenue $	2015 Net Expenditure $	2015 Gross Change $	2015 Gross Change %	2015 Net Change $	2015 Net Change %
Corporate Administration	5,521,289	298,953	5,820,242	2,953,263	(608,230)	2,345,033	(2,568,026)	-46.51%	(3,475,209)	-59.71%
Community Services	261,117,550	(216,012,475)	45,105,075	267,652,802	(221,618,355)	46,034,447	6,535,252	2.50%	929,372	2.06%
Corporate Services	664,155	(664,155)	-	580,134	(580,134)	-	(84,021)	-12.65%	-	-
Economic Development	2,108,571		2,108,571	2,796,799		2,796,799	688,228	32.64%	688,228	32.64%
Emergency Services	42,239,158	(22,438,192)	19,800,966	48,127,817	(25,252,943)	22,874,874	5,888,659	13.94%	3,073,908	15.52%
Governance	3,702,763	(48,000)	3,654,763	3,879,715	(32,400)	3,847,315	176,952	4.78%	192,552	5.27%
Planning & Development	6,786,187	(2,618,600)	4,167,587	7,360,391	(2,810,548)	4,549,843	574,204	8.46%	382,256	9.17%
Public Health	42,482,106	(31,356,904)	11,125,202	43,431,064	(31,737,039)	11,694,025	948,958	2.23%	568,823	5.11%
Public Works	61,567,916	(4,398,160)	57,169,756	61,761,287	(4,436,048)	57,325,239	193,371	0.31%	155,483	0.27%
Regional Departments	426,189,695	(277,237,533)	148,952,162	438,543,272	(287,075,697)	151,467,575	12,353,577	2.90%	2,515,413	1.69%
Niagara Regional Police Services	156,899,735	(15,389,205)	141,510,530	160,641,493	(16,414,346)	144,227,147	3,741,758	2.38%	2,716,617	1.92%
Niagara Regional Police Services Board	854,700		854,700	773,835		773,835	(80,865)	-9.46%	(80,865)	-9.46%
Niagara Regional Police Services	157,754,435	(15,389,205)	142,365,230	161,415,328	(16,414,346)	145,000,982	3,660,893	2.32%	2,635,752	1.85%
Court Services (POA)	8,013,465	(9,035,207)	(1,021,742)	7,901,157	(8,734,995)	(833,838)	(112,308)	-1.40%	187,904	-18.39%
Niagara Regional Housing	56,124,875	(25,619,824)	30,505,051	55,141,957	(23,720,213)	31,421,744	(982,918)	-1.75%	916,693	3.01%
Niagara Peninsula Conservation Authority	7,394,876	(469,626)	6,925,250	7,564,681	(493,304)	7,071,377	169,805	2.30%	146,127	2.11%
Outside Boards & Agency	71,533,216	(35,124,657)	36,408,559	70,807,795	(32,948,512)	37,659,283	(925,421)	-1.29%	1,250,724	3.44%
Capital Levy			-			-	-	0.00%	-	0.00%
Youth Retention	60,000		60,000	60,000		60,000	-	0.00%	-	0.00%
Regional Programs & NHS Facility	1,181,750	(100,000)	1,081,750	1,081,750		1,081,750	(100,000)	-8.46%	-	0.00%
Wainfleet Beach	41,000		41,000	40,100		40,100	(900)	-2.20%	(900)	-2.20%
Debt Charge	341,250	(341,250)	-	1,931,141	(1,931,141)	-	1,589,891	465.90%	-	0.00%
Smarter Niagara Incentive	1,000,000		1,000,000	1,403,000		1,403,000	403,000	40.30%	403,000	40.30%
Development Charge Grants	800,000	(650,000)	150,000	800,000		800,000	-	0.00%	650,000	433.33%
General Government	3,424,000	(1,091,250)	2,332,750	5,315,991	(1,931,141)	3,384,850	1,891,991	55.26%	1,052,100	45.10%
Payments in Lieu		(12,005,060)	(12,005,060)		(10,277,547)	(10,277,547)	-	0.00%	1,727,513	-14.39%
Property Assessment	5,894,249		5,894,249	5,878,138		5,878,138	(16,111)	0.00%	(16,111)	-0.27%
Tax Revenue - Supp Taxes		(4,362,362)	(4,362,362)		(4,394,929)	(4,394,929)	-	0.00%	(32,567)	0.75%
Tax Revenue - Written Off	5,287,857		5,287,857	5,187,862		5,187,862	(99,995)	0.00%	(99,995)	-1.89%
Tax Rebates	604,414		604,414	630,422		630,422	26,008	4.30%	26,008	4.30%
Consulting Services			-	100,000		100,000	100,000	0.00%	100,000	0.00%
Surplus Property	318,000	(360,000)	(42,000)	325,000	(365,000)	(40,000)	7,000	2.20%	2,000	-4.76%
Other Revenue		(80,000)	(80,000)		(74,000)	(74,000)	-	0.00%	6,000	-7.50%
Taxpayer Relief Reserve		(1,724,900)	(1,724,900)		(1,300,000)	(1,300,000)	-	0.00%	424,900	-24.63%
Contingency Reserve	849,146		849,146	850,000		850,000	854	0.10%	854	0.10%
Investment Income	1,600,000	(13,775,120)	(12,175,120)	1,820,094	(13,995,214)	(12,175,120)	220,094	13.76%	-	0.00%
Other Funding	14,553,666	(32,307,442)	(17,753,776)	14,791,516	(30,406,690)	(15,615,174)	237,850	1.63%	2,138,602	-12.05%
	673,455,012	(361,150,087)	312,304,925	690,673,902	(368,776,386)	321,897,516	17,218,890	2.56%	9,592,591	3.07%
Assessment Growth										1.15%
Net Tax Levy										**1.92%**

2015 OPERATING SUMMARY BY DEPARTMENT CONT'D

	Expenditure		Expenditure	Expenditure		Expenditure	Change	Change	Change	Change
	$	$	$	$	$	$	$	%	$	%
Self Supporting (SS) Requisitions										
SS Wastewater	71,493,072	(6,564,950)	64,928,122	73,993,238	(7,841,450)	66,151,788	2,500,166	3.50%	1,223,666	1.88%
SS Water	43,434,108	(1,140,089)	42,294,019	42,372,145	(405,239)	41,966,906	(1,061,963)	-2.44%	(327,113)	-0.77%
SS Waste	49,768,945	(14,423,137)	35,345,808	51,958,907	(16,380,105)	35,578,802	2,189,962	4.40%	232,994	0.66%
	164,696,125	(22,128,176)	142,567,949	168,324,290	(24,626,794)	143,697,496	3,628,165	2.20%	1,129,547	0.79%
	838,151,137	(383,278,263)	454,872,874	858,998,192	(393,403,180)	465,595,012	20,847,055	2.49%	10,722,138	2.36%

**Includes in year budget adjustments*

Twenty15

NIAGARA REGION CAPITAL BUDGET

2015 CAPITAL BUDGET OVERVIEW

Our capital budget adheres to the same timeframe as that of our operating budget, with a common goal of balancing our immediate and future needs with affordability. Capital projects and assets include such things as vehicles, roads, bridges, water lines, buildings, software systems, and equipment. In your personal financing, it would be the equivalent of the purchase of large items such as a house or car where you may not readily have the available cash to buy the product outright, and often have the need to finance these purchases through other means (such as a mortgage, loan).

Similarly, at the Region we use various forms of financing to support our capital plan, including debt financing, dollars from other levels of government, reserves (accumulated from previous planning), the levy (current year taxes), etc.

At the Region debt financing is proposed in an extremely conservative manner, with no more than 12 cents of every own source revenue dollar being spent on financing the debt from capital projects.

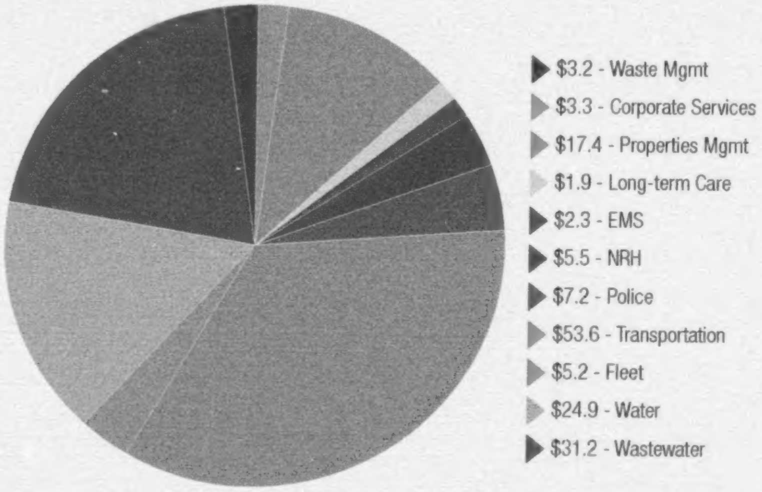
The bulk of our capital spend occurs in our Public Works area (transportation, water and wastewater divisions), and to a smaller extent in Corporate Services (properties and information technology), Community Services (seniors homes), and Public Health (emergency medical services).

To create our capital budget, we rely on a number of key pieces of information, most importantly a current inventory of our capital assets and the condition of those assets. In 2015, 75 per cent of the capital budget is dedicated to maintaining the current level of service by sustaining our existing assets in a state of good repair. In addition to those two key pieces of information, we create multi-year plans (See Capital Budget Visualization Tool - www.niagararegion.ca/government/budget/capital-budget-mapping-tool.aspx) for our future needs based on forecasted residential and business growth and on how we plan on financing those projects.

Once all of this information is brought together, Council is able to make an informed decision regarding the approval of the annual capital budget.

The 2015 capital budget that was approved by Council includes 138 distinct project and amounts to $155,702,857 of planned expenditures. The capital budget was created with consideration for Council strategic priorities, including Moving People and Goods; Fostering Innovation, Investment and Entrepreneurship; Building a Labour-ready Workforce; Positioning Niagara Globally; and Doing Business Differently. The 2015 capital budget is allocated to the various departments, program and agencies within the Region as follows (in millions):

2015 CAPITAL BUDGET BY DEPARTMENT (IN MILLIONS)



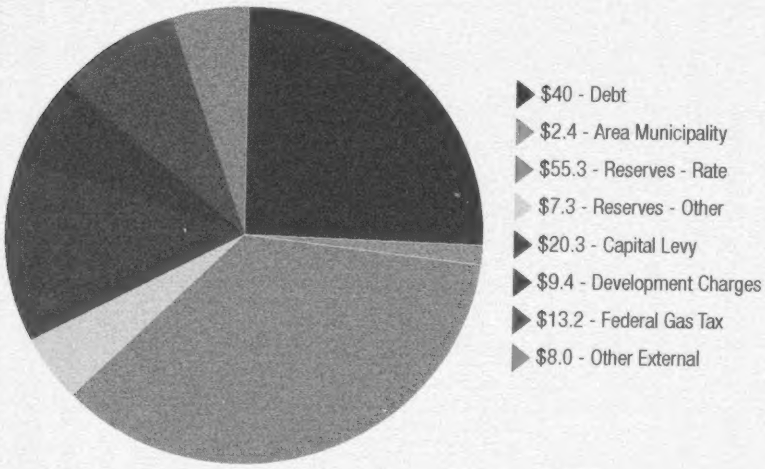
2015 CAPITAL BUDGET OVERVIEW CONT'D

Included in the 2015 capital budget are the following significant projects:

- $58.9 million for Public Works – Transportation and Fleet including:
  - $10.9 million to replace the Central Avenue Bridge in Fort Erie
  - $7.0 million for the annual Roads Resurfacing program across the region
  - $5.5 million to replace Beaverdams and Power Canal bridges in Thorold
  - $5.2 million to reconstruct Mountain Road in Beamsville from Hill Side to King St.
  - $3.3 million to replace regional vehicles and rolling equipment
  - $3.1 million for the construction of a roundabout at King St., Greenlane and Durham Ave. in Beamsville
- $31.2 million for Public Works – Wastewater including:
  - $18.0 million to upgrade the Welland wastewater treatment plant
  - $6.0 million to improve wastewater pump stations across the region
- $24.9 million for Public Works – Water including:
  - $6.0 million to replace watermains crossing the Welland River and recreational canal in Welland
  - $6.0 million to upgrade the water treatment plant in Port Colborne
  - $2.8 million for roof replacements at water facilities across the region
- $3.2 million for Public Works – Waste Management including improvements to the recycling centre facility in Niagara Falls.
- $17.4 million for Properties including:
  - $10.0 million for the construction of two new court facilities in St. Catharines and Welland
  - $3.5 million for the construction of a new public health facility in Niagara Falls
- $7.2 million for the Niagara Regional Police Service including the acquisition and installation of new communications unit equipment at the new headquarters being built in Niagara Falls.

2015 CAPITAL BUDGET BY DEPARTMENT

THE 2015 CAPITAL BUDGET IS FUNDED AS FOLLOWS (IN MILLIONS):



The sources of funding available to the Region for the capital budget include:

- Capital Levy funding is the annual contribution from the general tax levy that is allocated to the capital budget. This funding may be applied to any project that falls within a program that is funded by the general tax levy (i.e. the program is not supported by user rates).
- Debt Financing is long-term debentures issued by the Region. The term of the debentures issued by the Region are linked to the estimated useful life of the specific capital asset that is being funded.
- Reserves (and reserve funds) are comprised of a number of both general and special purpose reserves. These reserves represent funds that have been previously set aside, as per Council approved policies, to accumulate funds to service future capital requirements.
- Development Charges are fees collected from developers in accordance with the Development Charges Act. These funds are used to pay for infrastructure required by the Region to provide services as a result of growth, and to prepare for future growth.
- Federal Gas Tax funding is a grant that is available to fund projects that meet certain criteria established by the Federal Government.
- Other External funding represents amounts being contributed from an external party that partnered with the Region on a specific project.
- Area Municipality funding represents contributions from a municipality that has either partnered with the Region on a specific project or, as a result of work being conducted by the Region, has requested specific work be completed on their behalf.

2015 CAPITAL BUDGET SUMMARY BY DEPARTMENT

Department/Group	Gross Capital Budget $	Capital Levy $	Debt $	Reserves $	Development Charges $	Area Municipality $	Federal Gas Tax $	Other External $
General Government	1,086,118	1,086,118						
Information Technology Solutions	2,255,000	2,255,000						
Properties Management	17,397,223	3,672,223	13,725,000					
Community Services	1,905,750	1,905,750						
Public Health & Emergency Medical Services	2,332,737		2,180,097	152,640				
Fleet	5,240,000	1,500,000		3,740,000				
Transportation	53,630,000	9,833,809	15,778,691		5,447,500	2,420,000	13,150,000	7,000,000
Niagara Regional Housing	5,472,779		3,841,436	677,901				953,442
Niagara Regional Police Service	7,203,250		4,500,000	2,703,250				
Waste Management	3,180,000			3,180,000				
Water	24,850,000			21,800,000	3,050,000			
Wastewater	31,150,000			30,290,000	860,000			
Total	155,702,857	20,252,900	40,025,224	62,543,791	9,357,500	2,420,000	13,150,000	7,953,442

2015 CAPITAL BUDGET SUMMARY BY PROJECT

Department/Group	Gross Capital Budget	Capital Levy	Debt	Reserves	Development Charges	Area Municipality	Federal Gas Tax	Other External
	$	$	$	$	$	$	$	$
General Government								
Emergency Capital Levy Program	500,000	500,000						
Niagara District Airport	500,000	500,000						
Printer Replacement	86,118	86,118						
General Government Total	1,086,118	1,086,118						
IT Solutions								
IT Asset Replacement	1,755,000	1,755,000						
IT Systems Replacement - Enterprise Content Management	500,000	500,000						
IT Solutions Total	2,255,000	2,255,000						
Properties Management								
Court Facilities	10,000,000		10,000,000					
68 Church St. - Multi-zone Unit Replacement	150,000	150,000						
NRPS Headquarters (110 James St.) - Building Renovations	350,000	350,000						
St. Catharines Day Care - Roof Replacement	94,000	94,000						
Welland EMS (580 King St.) - Parking Lot Replacement	64,840	64,840						
Niagara Falls EMS (5685 North St.) - Parking Lot and Retaining Wall	40,736	40,736						
Niagara Falls EMS (5685 North St.) - Roof Replacement	122,500	122,500						
Niagara Falls Public Health Facility	3,500,000		3,500,000					
Regional Headquarters - Back-up Power (Emergency Measures)	900,000	900,000						
Regional Headquarters - HVAC Upgrades	896,197	896,197						
Regional Headquarters - Parking Lot Lighting Upgrades	100,500	100,500						
Regional Headquarters - Emergency Notification System	300,000	300,000						
Public Works Service Centre - Parking Lot Replacement	355,250	355,250						
EMS - Generators	298,200	298,200						
LTC Home Redevelopment - Gilmore Lodge	225,000		225,000					
Properties Management Total	17,397,223	3,672,223	13,725,000					
Community Services								
LTC Homes - Bed Replacement	100,000	100,000						
LTC Homes - Capital Improvements/Replacements	593,000	593,000						

2015 CAPITAL BUDGET SUMMARY BY PROJECT CONT'D

Department/Group	Gross Capital Budget $	Capital Levy $	Debt $	Reserves $	Development Charges $	Area Municipality $	Federal Gas Tax $	Other External $
LTC Homes - Machinery/Equipment	407,750	407,750						
LTC Homes - Resident Care Equipment	455,000	455,000						
LTC Homes - Roof Replacement	350,000	350,000						
Community Services Total	1,905,750	1,905,750						
Public Health & Emergency Medical Services								
Ambulance and Equipment Replacement	1,970,097		1,970,097					
Fire Defibrilator Replacement	152,640			152,640				
Medical/Disposable Medical Inventory Automated System	210,000		210,000					
Public Health & Emergency Medical Services Total	2,332,737		2,180,097	152,640				
Fleet								
Inter-municipal Transit - Capital Acquisitions	1,340,000	1,250,000		90,000				
Niagara Specialized Transit - Vehicle Replacement	600,000	250,000		350,000				
Vehicle & Equipment - Replacement Program	3,300,000			3,300,000				
Fleet Total	5,240,000	1,500,000		3,740,000				
Transportation								
Annual - Development Related Projects	1,000,000							1,000,000
Annual - Engineering for Future Projects	200,000	200,000						
Annual - Guide Rail Improvement Program	350,000	350,000						
Annual - Illumination Installation	300,000	300,000						
Annual - Major Culvert Replacement Program	150,000	150,000						
Annual - Miscellaneous Road Properties	200,000	200,000						
Annual - Railway Crossing Improvement	300,000	300,000						
Annual - Sign Processing Equipment	30,000	30,000						
Annual - Storm Sewer Program	300,000	300,000						
Annual - Traffic Signal Program	2,000,000		2,000,000					
Annual - Transportation Master Plans	600,000	30,000			170,000	400,000		
Cpcty. Imprv. - Glendale Ave Interchange at QEW	1,000,000	75,000			425,000			500,000
Rds Equip Prgm - Equipment Replacement Upgrades	100,000	100,000						
Rds Rehab - Roads Resurfacing Program	7,000,000	3,906,309	3,093,691					

2015 CAPITAL BUDGET SUMMARY BY PROJECT CONT'D

Department/Group	Gross Capital Budget $	Capital Levy $	Debt $	Reserves $	Development Charges $	Area Municipality $	Federal Gas Tax $	Other External $
Struc Rehab - OPG Bridges - Replacement of Beaver Dams Bridge and Power Canal Bridge over Gibson Lake (Str. 067205 & Str. 050215)	5,500,000							5,500,000
Int. Imprv. - RR20 Lundy's Lane Highland Ave to Main	350,000	175,000			175,000			
Rds Fac Prgm - Thorold Yard Drive Shed	650,000	650,000						
Cpcty. Imprv. - Casablanca Blvd (Widening 2 to 4/5 Lanes) - Livingston to QEW	500,000	75,000			425,000			
Cpcty. Imprv. - Niagara Stone Rd Widening - East/West Line to Concession 6	750,000	112,500			637,500			
Cpcty. Imprv. - Reconstruction RR 57 (Thorold Stone Rd) - Ext East of Stanley Ave	1,800,000	180,000			1,020,000	600,000		
Cpcty. Imprv. - Rice Road - Old Hwy 20 to Port Robinson	500,000	75,000			425,000			
Int. Imprv. - King St at Greenlane and Durham (Roundabout)	3,100,000	280,000				220,000	2,600,000	
Int. Imprv. - Lundy's Lane at Garner	600,000	250,000			250,000	100,000		
Int. Imprv. - Regional Road 20 (Phase 1) - South Grimsby Rd 6 to Wade Rd	650,000		650,000					
Int. Imprv. - St. Paul St West at Vansickle Road and First Street Louth	1,500,000	150,000	600,000		750,000			
Rds Rehab - Dick's Creek Crossing Culvert Replacement - RR89	750,000		675,000		75,000			
Rds Rehab - Lakeshore Rd. Reconstruction (Phase 3) - Lake St. to Geneva St. & Bradmon Dr. to O'Mara	1,000,000		600,000		400,000			
Rds Rehab - Lakeshore Rd. Rehabilitation - Townline Rd. to Four Mile Creek Rd.	400,000	400,000						
Rds Rehab - Mountain Rd Reconstruction - Hill Side to King St.	5,200,000		1,760,000		440,000	800,000	2,200,000	
Rds Rehab - Pelham Rd. Reconstruction (Phase 3) - Wessell Drive to Centre	500,000		450,000		50,000			
Rds Rehab - Riverside Dr. Reconstruction - Prince Charles Dr. to Lincoln St.	250,000	225,000			25,000			
Rds Rehab - RR 14 Canboro Rd Embankment Stabilization - Warner	500,000	150,000			-		350,000	
Rds Rehab - RR1 Dominion Rd Reconstruction - Albert to Lakeshore Rd	325,000	292,500			32,500			

2015 CAPITAL BUDGET SUMMARY BY PROJECT CONT'D

Department/Group	Gross Capital Budget	Capital Levy	Debt	Reserves	Development Charges	Area Municipality	Federal Gas Tax	Other External
	$	$	$	$	$	$	$	$
Rds Rehab - RR1 Dominion Rd Reconstruction - Burliegh Rd to Windmill Pt Rd	225,000	202,500			22,500			
Rds Rehab - RR42 Ontario St Reconstruction - Lakeshore to Linwell	500,000		450,000		50,000			
Rds Rehab - RR45 Creek Rd Reconstruction - RR4 to RR63	375,000	337,500			37,500			
Rds Rehab - RR81 King St Reconstruction - Durham Rd to Lincoln Ave	375,000	337,500			37,500			
Rds Rehab - RR81 St Paul St Reconstruction - Ninth St to Seventh St	1,800,000		1,800,000					
Struc Rehab - Central Ave Bridge - Bridge Replacement (Str. 124205)	10,900,000		2,600,000			300,000	8,000,000	
Struc Rehab - East Main St. Bridge (West of RR84) - Bridge Rehab (Str. 027225)	300,000		300,000					
Struc Rehab - Niagara St. Bridge - Bridge Replacement (Str. 050205)	300,000		300,000					
Struc Rehab - St. Paul W CNR Bridge - Bridge Replacement (Str. 081215)	500,000		500,000					
Transportation Total	53,630,000	9,833,809	15,778,691		5,447,500	2,420,000	13,150,000	7,000,000
Niagara Regional Housing Total								
NRH - Building Capital	2,045,279		1,348,724	219,834				476,721
NRH - Emergency Capital	200,000			200,000				
NRH - Grounds Capital	605,500		567,267	38,233				
NRH - Units Capital	2,622,000		1,925,445	219,834				476,721
Niagara Regional Housing Total	5,472,779		3,841,436	677,901				953,442
Niagara Regional Police Services								
NRPS - Capital Asset Acquisitions	78,250			78,250				
NRPS - Communications Unit Equipment	4,500,000		4,500,000					
NRPS - IT Equipment Replacement	800,000			800,000				
NRPS - Network Infrastructure	100,000			100,000				
NRPS - Open Source Intelligence	75,000			75,000				
NRPS - Vehicles	1,400,000			1,400,000				

2015 CAPITAL BUDGET SUMMARY BY PROJECT CONT'D

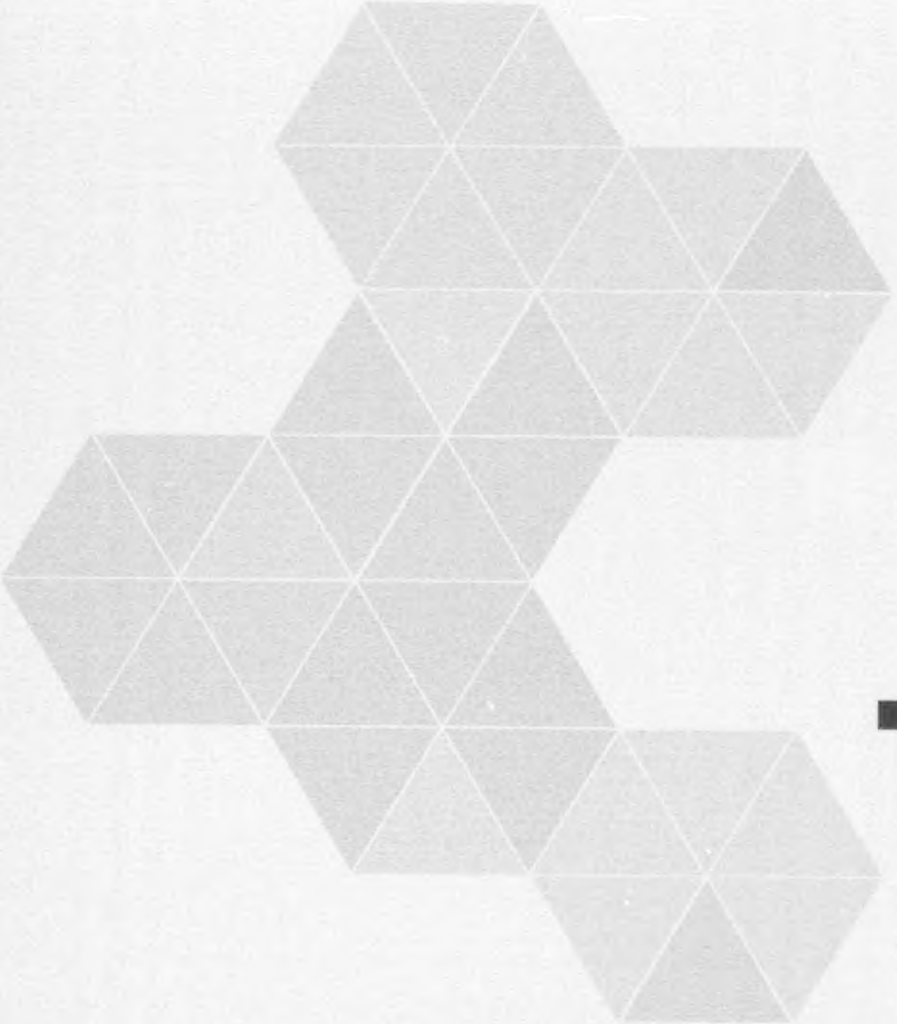
Department/Group	Gross Capital Budget $	Capital Levy $	Debt $	Reserves $	Development Charges $	Area Municipality $	Federal Gas Tax $	Other External $
NRPS - Body Worn Video/Cameras	250,000			250,000				
Niagara Regional Police Services Total	7,203,250		4,500,000	2,703,250				
Waste Management								
Caistor Road - Capping Works	75,000			75,000				
Centre Street - Leash Free Dog Park - Trails	30,000			30,000				
Humberstone - Litter Fencing Replacement	75,000			75,000				
Humberstone - Site Improvements and Enhancements	220,000			220,000				
Maintenance Management System (MMS)	500,000			500,000				
Mountain Road - Scale House/Storage Building	25,000			25,000				
Recycling Centre - Facility Improvements	1,600,000			1,600,000				
Annual - Misc Enhancement and Replacement	150,000			150,000				
Annual - Property Acquisition	200,000			200,000				
NR-12 - Litter Fencing Replacement	30,000			30,000				
Quarry Road - Stream C Remediation	50,000			50,000				
Glenridge - Landfill Gas Collection & Flaring System (LGCFS) Decommissioning	50,000			50,000				
Glenridge - Leachate Collection System (LCS) Upgrades	100,000			100,000				
Line 5 - Monitoring Well Replacement	75,000			75,000				
Waste Management Total	3,180,000			3,180,000				
Water								
Misc Prgm - Grimsby System Storage	1,500,000			750,000	750,000			
Misc Prgm - Port Colborne Storage	1,000,000			550,000	450,000			
Misc Prgm - Stevensville Reservoir and Pump Station Expansion	1,000,000			500,000	500,000			
Misc Prgm - Valve and Billing Meter Replacement DeCew WTP System	150,000			150,000				
Misc Prgm - Water & Wastewater Training Centre	250,000			250,000				
WM Prgm - Elm Street Watermain	2,500,000			1,250,000	1,250,000			
WM Prgm - Welland Watermain East and West	6,000,000			6,000,000				

2015 CAPITAL BUDGET SUMMARY BY PROJECT CONT'D

Department/Group	Gross Capital Budget $	Capital Levy $	Debt $	Reserves $	Development Charges $	Area Municipality $	Federal Gas Tax $	Other External $
WTP Upgrade Prgm - DeCew WTP Spillway Resonstruction	250,000			250,000				
WTP Upgrade Prgm - DeCew WTP Waste Optimization	350,000			350,000				
WTP Upgrade Prgm - Grimsby WTP Low Lift Upgrade	1,000,000			1,000,000				
WTP Upgrade Prgm - Niagara Falls WTP Upgrade	250,000			250,000				
WTP Upgrade Prgm - Port Colborne WTP Upgrade	6,000,000			6,000,000				
Misc Prgm - Elevated Tank Painting	400,000			400,000				
Misc Prgm - Chemical System Upgrades	150,000			150,000				
Misc Prgm - Master Meter Replacements	500,000			400,000	100,000			
Misc Prgm - Pressure Booster and Rechlorination Station	50,000			50,000				
Misc Prgm - Security Improvement	100,000			100,000				
Misc Prgm - Valve Replacement	550,000			550,000				
WM Prgm - Watermain Evaluation and Replacement	100,000			100,000				
WTP Upgrade Prgm - Roof Replacements at Water Facilities	2,750,000			2,750,000				
Water Total	24,850,000			21,800,000	3,050,000			
Wastewater								
Misc Prgm - Laboratory Upgrades	150,000			150,000				
Misc Prgm - Water & Wastewater Training Centre	250,000			250,000				
Sewer & Forcemain Prgm - Disher Street Elevated Sewer Crossing	150,000			150,000				
Sewer & Forcemain Prgm - Stamford Interceptor Renewal - Phase 1	1,350,000			1,350,000				
WWTP Upgrade Prgm - Garner Road Access & Lagoon Improvements	200,000			200,000				
WWTP Upgrade Prgm - Niagara Falls WWTP Primary Tanks Upgrade	150,000			150,000				
WWTP Upgrade Prgm - Niagara Falls WWTP Sodium Hypochlorite Tank Replacement	350,000			350,000				
WWTP Upgrade Prgm - Niagara Falls WWTP Upgrade	300,000			180,000	120,000			
WWTP Upgrade Prgm - Port Colborne WWTP Biosolids Management Improvement Study	150,000			120,000	30,000			

2015 CAPITAL BUDGET SUMMARY BY PROJECT CONT'D

Department/Group	Gross Capital Budget $	Capital Levy $	Debt $	Reserves $	Development Charges $	Area Municipality $	Federal Gas Tax $	Other External $
WWTP Upgrade Prgm - Port Colborne WWTP Electrical Protection Blowers	300,000			300,000				
WWTP Upgrade Prgm - Port Dalhousie WWTP Laneway, Parking Lot and Septage Receiving Improvements	500,000			500,000				
WWTP Upgrade Prgm - Port Weller WWTP Switch Gear Replacement	250,000			250,000				
WWTP Upgrade Prgm - Welland WWTP Upgrades	18,000,000			18,000,000				
Misc Prgm - Gas Train Upgrade	350,000			350,000				
Misc Prgm - Grit Upgrade	250,000			250,000				
Misc Prgm - Master Meter Replacement	550,000			440,000	110,000			
Misc Prgm - Roof Replacement	250,000			250,000				
Misc Prgm - Wastewater Security Improvement	150,000			150,000				
PS Improvement Program - Design & Construction	6,000,000			5,400,000	600,000			
WWTP Upgrade Prgm - WWTP Digester & Sludge Management	1,500,000			1,500,000				
Wastewater Total	31,150,000			30,290,000	860,000			
Grand Total	155,702,857	20,252,900	40,025,224	62,543,791	9,357,500	2,420,000	13,150,000	7,953,442



Twenty15

NIAGARA REGION OPERATING & CAPITAL BUDGET - DEPARTMENTS, BOARDS AND AGENCIES

CORPORATE ADMINISTRATION (CA)

DEPARTMENT OVERVIEW

Corporate Administration provides executive management of Niagara Region and its many programs and services, through the following areas: Corporate Communications, Economic Development, Human Resources, Organizational Performance and the Office of the Regional Clerk.

The Municipal Act, 2001 defines the major responsibilities of the Chief Administrative Officer as Council's principle advisor with executive management accountabilities for carrying out Council's direction by ensuring appropriate internal capacity (staff skills, deployment and budget) and community partnerships in order to deliver effective Regional programs and services.

SUPPORTING COUNCIL'S STRATEGIC PRIORITIES

Corporate Administration is committed to advancing Council's strategic priorities that focus on fostering an environment for economic prosperity through an integrated approach to political leadership and corporate management of the organization. These strategic priorities will help Niagara grow, create attractive places for business and investment, and help our residents thrive through greater opportunities.

To move forward we are undertaking a number of initiatives related to:

- Moving people and goods
- Fostering innovation, investment and entrepreneurship
- Building a labour-ready workforce

POSITIONING NIAGARA GLOBALLY

Success in all of these areas depends on our ability to do business differently than we have in the past and strive for organizational excellence at Niagara Region.

CA: BUDGET SUMMARY (GROSS $11,748,000, NET $11,139,770)

The 2015 Corporate Administration budget is $11,139,770. This represents a 15.7 per cent decrease over the prior years' approved budget of $13,214,512.

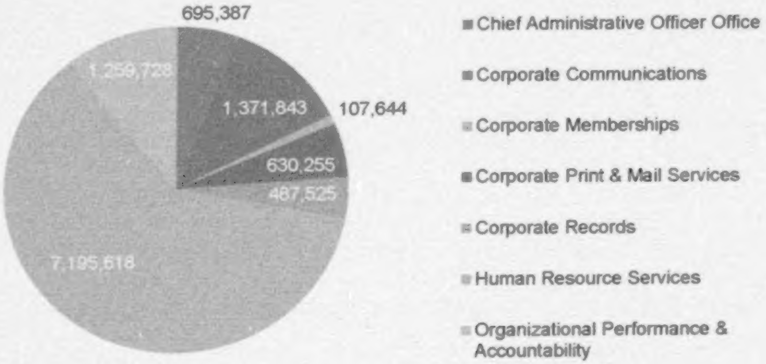
Included within the Regional budget is the Team Niagara Action Plan which includes funding for advocacy support and consulting work to bring GO Rail Service to Niagara. Funding will be used to develop a robust and encompassing business case that accurately and thoroughly meet the MTO/Metrolinx expectation, as well as consulting work to complete the engineering/transportation business case and to develop and execute the political and agency/stakeholder strategy.

Multi-Year Schedule of Expenditure

Object of Expenditure Description	2014 Budget $ *	2015 Budget $	2016 Budget $	2017 Budget $
Personnel Costs	9,425,894	9,209,913	9,391,001	9,578,550
Administrative Expenses	423,988	375,229	382,105	389,425
Materials, Supplies & Utilities	796,143	298,438	324,983	326,456
Repairs & Maintenance	114,482	76,150	86,170	86,190
Purch. Serv. & Other Operating Exp.	1,912,676	1,691,240	1,511,419	1,541,673
Capital Equipment & Renovations	21,282	22,883	24,351	24,827
Allocations Between Departments	(41,282)	(40,647)	(41,111)	(41,550)
Allocations Within Departments	112,378	114,794	117,090	119,431
Allocations to Capital Program	150,000			
Gross Expenditure	**12,915,569**	**11,748,000**	**11,796,008**	**12,025,002**
Ontario/Canada Grants	17,810			
Fees & Service Charges	206,619	(2,500)	(2,550)	(2,601)
Other Revenue	366,374	(130,730)	(134,545)	(137,235)
Transfers from Reserves & Reserve Funds	(291,850)	(475,000)	(480,500)	(486,110)
Gross Revenue	**298,953**	**(608,230)**	**(617,595)**	**(625,946)**
Net Direct Expenditure before Indirect Allocation	**13,214,512**	**11,139,770**	**11,178,413**	**11,399,056**
Indirect Allocation	(7,521,937)	(8,882,499)	(9,077,225)	(9,253,218)
Capital Financing Allocation	127,667	87,762	89,517	91,308
Indirect Allocation	**(7,394,270)**	**(8,794,737)**	**(8,987,708)**	**(9,161,910)**
Net Expenditure/(Revenue) After Indirect Allocation	**5,820,242**	**2,345,033**	**2,190,705**	**2,237,146**

** Includes in year budget adjustments*

CORPORATE ADMINISTRATION (CA) CONT'D



SUMMARY OF BUDGET DRIVERS

Service demands in 2015 impacting the net budget increase include:

PERSONNEL COSTS

The Corporate Administration budget is largely personnel cost driven at 83 per cent of budget. Included within personnel costs is the recent reclassification of the Manager of Partnership Development position in order to provide additional business focus for the Office of the CAO – providing more emphasis on relationship building and management with the 12 local area municipalities.

GOVERNMENT RELATIONS

A government relations strategy, encompassing both the federal and provincial levels of government, will be developed and implemented over 2015. Future advocacy efforts will be aligned with the government relations strategy and related budget resources will support short and long-term objectives in the document.

CONFERENCES AND CONVENTIONS

Council's participation in provincial and national conferences, of which Niagara Region is a member, include but are not limited to: Association of Municipalities of Ontario (AMO), Federation of Canadian Municipalities (FCM), Canadian Urban Institute (CUI), Rural Ontario Municipalities Association (ROMA), and the Association of Local Public Health Agencies (alPHa). Participation in events hosted by these organizations provide considerable annual corporate benefit, with related costs.

Budget Driver Description

Summary of Budget Drivers	2015	2016	2017
Previous Year	13,214,512	11,139,770	11,178,413
+/- Savings/Revenue Adjustments			
Advertising savings	(10,000)		
Consulting savings	(8,600)		
Storage savings	(7,423)	(2,407)	60
+/- Other one time adjustments			
Remove IT Capital Replacement Budget	(7,532)		
Media Communications	7,416		
+/- Program changes			
CAO savings	(2,452,313)		
Team Niagara Action Plan (GO Rail)	400,000	(200,000)	
Transfer from Reserve	(200,000)		
Katalogic	37,764	17,755	18,110
Postage	(15,000)	25,000	
Courier Vehicles	4,241	9,274	491
+/- Contractual Costs			
Personnel Cost	161,542	184,925	190,336
Inflationary	8,712	8,254	8,417
Other	6,451	(4,159)	3,229
Current Year	11,139,770	11,178,413	11,399,056

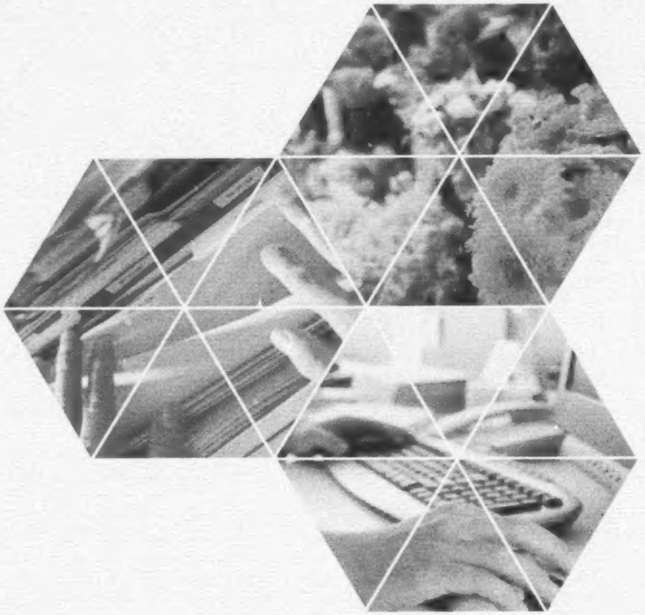
CORPORATE ADMINISTRATION (CA) CONT'D

PERFORMANCE MEASURES

The Chief Administrative Officer will work with Council to implement a system of performance metrics that will demonstrate to staff and residents how we are fostering an environment for economic prosperity in Niagara. Measures include:

- Growth
- Employment
- Investment
- Infrastructure
- Taxation
- Community Symptoms

Council and staff are committed to working together to measure our performance and move the performance dials to ensure that Niagara's economy remains on the right track.



COMMUNITY SERVICES (COM)

DEPARTMENT OVERVIEW

Community Services supports and advances the well-being of individuals, families and communities of Niagara by providing and supporting a wide range of community services and partnerships through four operating divisions:

Senior Services provides services primarily for older adults and their families, including:

- The operation of eight accredited long-term care homes serving nearly 1,500 people each year
- The delivery of community programs to support more than 3,000 people who live in their own home

Children's Services ensures access to a coordinated and diverse range of affordable quality services and supports for young children and families. As the provincially designated service system manager for Niagara, Children's Services:

- Oversees 10,350 licensed spaces in 163 non-profit and private child care centres throughout Niagara
- Directly operates five child care centres with a focus on children with special needs
- Contracts with more than 100 home child care service providers
- Provides fee subsidies to eligible families and wage subsidies to early childhood educators
- Partners with YMCA of Niagara and 200 community organizations to provide sports and cultural opportunities to eligible children and youth (ProKids)

Social Assistance and Employment Opportunities (SAEO) provides financial assistance and employment supports, in partnership with community agencies, to enable participants to achieve independence through sustainable employment. Specifically, SAEO is responsible for:

- Delivering the provincial Ontario Works (OW) program for families and individuals in financial crisis
- Addressing poverty through the award-winning Niagara Prosperity Initiative, a community partnership funded by Niagara Region
- Helping people who rely on social assistance to find and keep housing through the Region's Housing Stability Plan
- Working to support newcomers through the Local Immigrant Partnership

Homelessness Services and Community Engagement is the provincially designated service system manager for homelessness services for Niagara and supports the department in community engagement and compliance activities. Activities include:

- Administering homelessness prevention programs working with local service agencies, Niagara Regional Housing and the Niagara Homelessness Advisory Committee
- Oversees Niagara Region's Ten Year Housing and Homelessness Action Plan
- Delivering emergency social services to residents of Niagara

COMMUNITY SERVICES (COM) CONT'D

COM: SUPPORTING COUNCIL'S STRATEGIC PRIORITIES

Community Services is committed to advancing Regional Council's 2015 – 2018 Strategic Priorities. Examples of 2015 initiatives supporting Council's priorities include:

BUILDING A LABOUR-READY WORKFORCE:

- Develop strategies and programs that will enable vulnerable residents to achieve independence through sustainable employment
- Provide subsidized childcare options for working parents and those completing their education
- Invest in a skills inventory to help Ontario Works clients access available jobs
- Increase homelessness funding to ensure safe affordable housing as a pre-requisite for employment related activities.
- Provide student placement opportunities for Brock University and Niagara College students in our long-term care homes and our directly operated child care centres
- Implement wage subsidies for low paid private and non-profit registered early childhood educators

DOING BUSINESS DIFFERENTLY AND ORGANIZATIONAL EXCELLENCE:

- SAEO meets targets for employment and earnings for OW clients and earns $7.2 million in funding that is invested in training programs and employment supports that help clients find work or increase their earnings.
- Homelessness Services is working in partnership with community agencies and Niagara Regional Housing to increase housing first services to the chronically homeless, thereby reducing the demand on costly emergency shelter beds in Niagara
- Children's Services will continue to exceed provincial service requirements thereby permitting more flexible use of provincial funding to support child care services throughout Niagara, and to stabilize the market rate cost of child care, while providing resources for new initiatives in the community, such as the development of naturalized playgrounds
- Seniors Services works in collaboration with a wide range of community partners to provide services to over 3000 seniors living in the community. Programs are aligned with the provincial focus on supporting seniors to stay in the community as long as possible (day and stay program, convalescent care program, respite program)
- Seniors Services will participate in the Alternate Services Review towards redevelopment of three homes within the next ten years.

COMMUNITY SERVICES (COM) CONT'D

COM: BUDGET SUMMARY
(GROSS $253,158,839, NET $31,540,484)

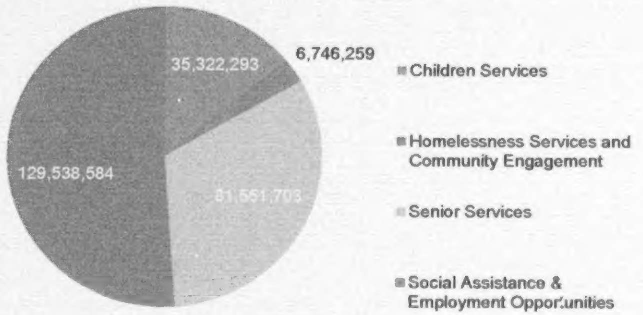
Community Services has a gross expenditure budget of $253,158,839 million and a net budget of $31,540,484. This represents a 1.33 per cent decrease over the prior years' approved budget of $31,965,044.

The budget to support the majority of program and services provided by Community Services is funded by the Province of Ontario and through client fees. Niagara Region contributes 12.8 per cent toward the delivery services, client fees represent 9.5 per cent of funding and the majority of the budget, 77.7 per cent, is funded through Provincial and Federal monies.

Object of Expenditure Description	2014 Budget $*	2015 Budget $	2016 Budget $	2017 Budget $
Personnel Costs	88,269,961	92,286,822	94,005,308	95,718,341
Administrative Expenses	1,053,828	1,068,016	1,089,124	1,110,657
Materials, Supplies & Utilities	7,569,432	7,682,115	8,270,895	8,536,026
Repairs & Maintenance	1,023,021	979,940	951,705	974,062
Purch. Serv. & Other Operating Exp.	41,467,553	41,090,575	41,771,808	42,461,406
Social Assistance	106,889,082	108,705,137	113,048,027	117,564,526
Financial Expenditures	32,905	32,195	33,353	34,555
Capital Equipment & Renovations	469,771	448,661	492,977	503,646
Transfers to Reserves & Reserve Funds	396,025			
Allocations Between Departments	258,807	295,590	297,633	299,733
Allocations Within Departments	547,134	569,788	581,490	593,424
Gross Expenditure	247,977,519	253,158,839	260,542,320	267,798,376
Ontario/Canada Grants	(191,197,876)	(196,568,008)	(199,930,145)	(205,319,199)
Fees & Service Charges	(23,243,915)	(23,667,308)	(23,916,980)	(24,169,410)
Other Revenue	(308,780)	(319,026)	(322,117)	(325,238)
Transfers from Reserves & Reserve Funds	(1,261,904)	(1,064,013)	(1,362,285)	(1,510,579)
Gross Revenue	(216,012,475)	(221,618,355)	(225,531,527)	(231,324,426)
Net Direct Expenditure before Indirect Allocation	31,965,044	31,540,484	35,010,793	36,471,950
Indirect Allocation	7,977,769	8,548,260	8,866,682	9,029,657
Capital Financing Allocation	5,162,262	5,945,703	6,056,701	6,169,915
Indirect Allocation	13,140,031	14,493,963	14,923,383	15,199,572
Net Expenditure/(Revenue) After Indirect Allocation	45,105,075	46,034,447	49,934,176	51,671,522

** Includes in year budget adjustments*

Community Services continues to experience provincial uploading for social programs. The 2015 budget includes the $2,694, 381in Provincial uploading. Provincial uploading will continue to impact Community Services and the Region through to the end of 2018.



COM: SUMMARY OF BUDGET DRIVERS

Service demands in 2015 impacting the net budget increase include:

SENIORS SERVICES

The Seniors Servics division has undertaken a number of quality improvement studies through the Responsive Region Improvement Team (RRIT) program to optimize efficiencies. A component of these improvement initiatives was reallocation of personnel to support more streamlined and consistent processes across the Region. Staffing adjustments and reductions in positions enabled the division to address operational pressures and support long-term care homes nursing requirements within existing staff complement.

The Ministry of Health and Long-Term Care issued a 2 per cent increase to the base per diem funding in the nursing and personal care envelope effective September 2014 to address pressures related to resident acuity. There was also in increase to the average Case Mix Index (CMI) for the eight long-term care homes effective April 1, 2014 which is the acuity adjustment on the nursing and personal care per diem funding. The 2 per cent base funding increase in combination with the CMI increase translates into sufficient provincial funding across the eight homes to provide additional frontline staffing FTE's (17.3).

Seniors Community programs remains a net zero impact on the levy as these services remain 100 per cent funded by the Local Health Integration Network.

SOCIAL ASSISTANCE AND EMPLOYMENT OPPORTUNITIES (SAEO)

Council approved a two year pilot project through which SAEO will develop a process and an inventory of skills, education and work experience of Ontario Works (OW) clients so that people receiving assistance can be matched effectively and efficiently to job opportunities. The total investment for this two year pilot program is a gross cost of $626,184 and a net cost of $313,092. This pilot project is intended to be funded 50 per cent by the province through the OW contract and 50 per cent through reserves.

The budget is based on a 3 per cent caseload growth for 2015 and includes the 2014 provincial budget changes, including a one per cent rate increase to clients, an increase in asset limits, a supplement for singles and the elimination of the sharing of employment income on the first $200 of earnings. The proposed 2015 budget reduces the dependency on reserves by $300,000. This dependency developed in 2009 and 2010 when Niagara experienced significant caseload growth. The increased costs are balanced against taxpayer affordability to provide a more stable funding for residents.

The budgets for SAEO and homelessness include continued uploading by the Province and as result show a decrease from the prior year.

COMMUNITY SERVICES (COM) CONT'D

CHILDREN'S SERVICES

Children's Services continues to manage the additional demands for services within Council's guidance target. Through effective systems management there is no waitlist for subsidized child care.

The Children's Services budget continues to strive to ensure a stable child care system in Niagara. The full implementation of full day kindergarten has impacted services and the Division has worked collaboratively with community partners to ensure stability. There are more and more children with complex and special needs and have worked to increase resources and supports for child care programs to enhance their ability to help families continue their employment or schooling.

HOMELESSNESS SERVICES AND COMMUNITY ENGAGEMENT

The Homelessness Services budget includes funding from Federal, Provincial and Regional governments. This funding supports 25 projects, delivered by 20 community agencies.

In addition, the budget for homelessness funds the delivery of homelessness services by community agencies and for SAEO staff to deliver the housing stability plan approved by Council. It also provides for the continuation of three provincially funded temporary staff that Council approved in 2013 to deliver the housing stability plan to clients of the Ontario Disability Support Program.

Community engagement activities are offered to all divisions of the Community Services Department activities ensure the department works in partnership with all funders and agencies that assist the department in delivering services and managing the human services systems in Niagara.

COM: CAPITAL BUDGET HIGHLIGHTS

The 2015 capital budget for the Community Services program has a total value of $1,905,750, and is comprised of five distinct projects. This represents one per cent of the Region's total 2015 capital budget. 100 per cent of the revenues required to fund the 2015 capital budget are derived from the Regions' internal sources.

Budget Driver Description	2015 Budget $	2016 Budget $	2017 Budget $
Previous Year	31,965,044	31,540,484	35,010,793
+/- Savings/Revenue Adjustments			
Ministry Funding	(3,061,231)	(759,559)	(2,766,762)
Provincial Upload Savings	(2,700,000)	(2,700,000)	(2,700,000)
Resident Fees	(423,393)	(223,672)	(225,910)
+/- Other one time adjustments			
Reserve Transfers (Children's)		(533,921)	(556,899)
Secondment Funding (SAEO)		175,130	
Elimination of Reserve Dependency in Emp & COA (SAEO)	300,000	300,000	300,000
Seniors Capital Reserve rationalization	(396,025)		
+/- Program changes			
FTE reallocation (Seniors)	14,132		
Employment Project (SAEO)			
Permanent employee (HHH)			
+/- Contractual Costs			
Personnel Cost	3,769,658	1,557,159	1,941,348
Social Assistance Cost (SAEO)	1,660,639	4,187,474	4,671,915
Inflationary	411,660	1,467,698	797,465
Current Year	31,540,484	35,010,793	36,471,950

Significant highlights include:

RESIDENT CARE EQUIPMENT

This project includes the replacement of both resident lifts across the homes and nurse call systems for Linhaven, Rapelje Lodge and Northland Pointe.

CAPITAL IMPROVEMENTS/REPLACEMENTS

This project includes numerous upgrades at each of the eight long-term care homes, including flooring, parking lots, and programming space enhancement.

COMMUNITY SERVICES (COM) CONT'D

Classification	Gross Capital Request	Funding Source						
		Capital Levy	Debt	Reserves	Development Charges	Area Municipality	Federal Gas Tax	Other External
	$	$	$	$	$	$	$	$
Bed Replacement	0.1	0.1						
Capital Improvements	0.6	0.6						
Machinery/Equipment	0.4	0.4						
Resident Care Equipment	0.5	0.5						
Roof Replacements	0.4	0.4						
Total	1.9	1.9	-	-	-	-	-	-

COM: PERFORMANCE METRICS

Each division within Community Services measures performance in a range of areas as part of its commitment to continuous quality improvement.

SENIORS SERVICES (LONG-TERM CARE HOMES)

Seniors Community Programs delivers a range of services designed to support seniors to stay in their homes longer thereby easing the pressure on long-term care homes and hospital emergency departments.

Home	Beds	Waitlist	Category
Deer Park Villa	39	94	A
Rapelje Lodge	120	166	A
Gilmore Lodge	80	39	C
Linhaven	228	199	B
Woodlands of Sunset	120	292	A
Meadows of Dorchester	150	221	A
Northland Pointe	150	170	A
Upper Canada Lodge	80	222	C

Categories

A Class homes are usually newer and are built to most current standards, and as a result, usually have longer waiting lists than B and C class homes.

Program	2014 Target	2014 Served
Adult Day Services	500	539
Assisted Living	31	38
Respite	175	176
Client Intervention and assistance	825	1155
Overnight Respite	50	22
Gatekeeper	100	170
Wellness Health Program	1100	1288

COM: PERFORMANCE METRICS

CHILDREN'S SERVICES

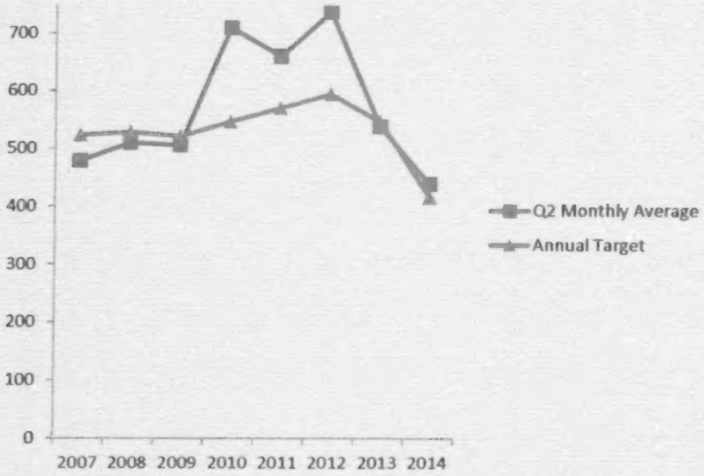
Children with special needs are being identified earlier through medical professionals and registered early childhood educators. Referrals for resource consultant supports has continued to increase as a positive result of the assessments conducted by Quality Childcare Niagara, which screens all children in child care. The level of complexity of children's developmental challenges continues to escalate, in turn requiring more intensive interventions to support their development.

COMMUNITY SERVICES (COM) CONT'D

SOCIAL ASSISTANCE AND EMPLOYMENT OPPORTUNITIES

Since 2008 Q3 (caseload September 30, 2008 was 7,320), social assistance caseloads have increased by 48 per cent. The SAEO staff complement has increased 19 per cent over the same period. The 2015 caseload figure is an estimate based on predicted caseload growth and the effect of the Provincial policy change on asset limits for Ontario Works eligibility

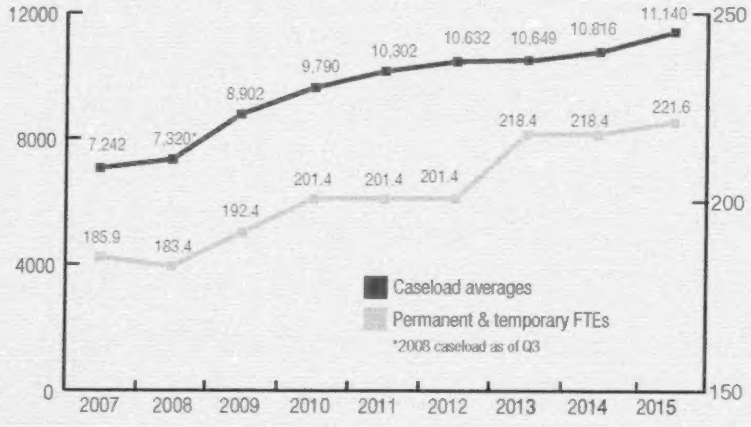
SPECIAL NEEDS - AVERAGE NUMBER OF CHILDREN SERVED



HOMELESSNESS SERVICES AND COMMUNITY ENGAGEMENT

Homelessness Services are delivered through partner agencies to provide access to a full range of services throughout the Region. Council's priorities for homelessness services include: Outreach, Emergency Shelters, Supportive Housing and Prevention. Niagara has invested in prevention and supportive housing programs to support Niagara's most vulnerable residents. The focus on these investment priorities have translated into reduced demand for emergency hostels and outreach services.

SOCIAL ASSISTANCE - CASELOADS AND STAFF LEVELS



CORPORATE SERVICES (CSD)

DEPARTMENT OVERVIEW

Corporate Services supports all of Niagara Region's departments through the provision of the following support services:

FINANCIAL MANAGEMENT AND PLANNING

Financial Management and Planning provides strategic financial leadership and direction to the corporation, overseeing processes to protect and promote the integrity of Regional financial activities and compliance with legislative requirements. Specific services include:

- Development and management of the annual operational budget and ten year capital plan to manage the Region's infrastructure
- Accurate and timely financial accounting and reporting
- Investment activities, setting tax policy, financial research and analysis
- Development of policies, procedures and practices for the safeguarding and expenditure of corporate resources
- Procurement of goods and services on behalf of all Regional departments in a cost effective manner

INFORMATION AND TECHNOLOGY (IT) SOLUTIONS

IT Solutions provides technology support services to enable staff to deliver front-line services to taxpayers and clients. Services include:

- Management of information and communications infrastructure (mapping, computer and telephone systems)
- Protection and security over the electronic data and information in our systems
- Technical support of software applications, including the Region's website www.niagararegion.ca

LEGAL AND COURT SERVICES

Legal and Court Services provides legal services, advice and research to Regional Council, agencies, boards, commissions, the municipal corporation and staff. It also oversees the Provincial Offences Court Administration on behalf of the Region and the 12 area municipalities. Specific services include:

- Business and contract administration support
- Risk management, insurance and claims administration
- Oversees the Provincial Offences Court system
- Retains and instructs outside legal assistance, as required

PROPERTIES MANAGEMENT

Properties Management is responsible for the administration of Regional properties, including:

- Facility maintenance and energy management
- Long-range facility and property planning needs

CORPORATE SERVICES (CSD) CONT'D

CSD: SUPPORTING COUNCIL'S STRATEGIC PRIORITIES

Corporate Services is committed to advancing Regional Council's 2015 – 2018 strategic priorities. Examples of 2015 initiatives supporting Council's priorities include:

DOING BUSINESS DIFFERENTLY AND ORGANIZATIONAL EXCELLENCE

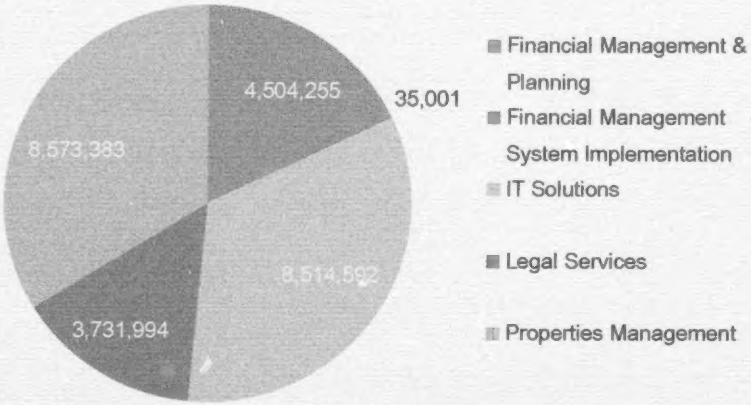
- Providing the financial tools, policies and programs to advance strategic projects that directly support economic prosperity, including GO transit, inter-municipal transit, advocacy efforts, and partnerships with public and private sector entities
- Supporting Council's commitment to generate $1 million in additional revenues and/or cost savings with leadership over an ongoing review of corporate expenditures, and exploring new opportunities such as advertising/sponsorship and selling assets
- Leveraging Information Technology to support more efficient and better integrated customer service delivery
- Leading the management of the Enhanced Financial Management Service project that will, through modern business practices, improve the way Niagara Region operates and will replace the multiple applications that are currently operating with a corporate-wide enterprise resource planning system.

CSD: BUDGET SUMMARY (GROSS $25,359,225, NET $24,779,091)

The 2015 Corporate Services budget is $24.8 million. This represents a three per cent increase over the prior years' approved budget of $24.1 million. The 2015 FTE complement increased by three positions over 2014, including a claims administrator, maintenance mechanic and an IT project manager. In addition, the budget includes support for three new facilities, including an ambulance station; a leased fleet center for emergency medical services and the new Niagara Regional Police Service headquarters.

Drivers for the 2015 budget include:

- Leadership over corporate-wide technology projects that will improve efficiency and effectiveness (e.g. Enhanced Financial Management System, eScribe)
- Development of risk mitigation strategies through process and policy reviews, greater education and collaboration across departments
- Expansion of our energy management portfolio to support "Keen on Green" investments in Niagara
- Improving financial processes (e.g. trend analysis that identifies potential savings, seek opportunities for cost sharing incentive programs) to enable increased revenues and/or decreased costs
- Strengthening financial reporting to increase transparency and support more informed decisions
- Aligning current utility, repairs and maintenance estimates with industry standards to support the development of on-target budgets



CORPORATE SERVICES (CSD) CONT'D

Object of Expenditure Description	2014 Budget $*	2015 Budget $	2016 Budget $	2017 Budget $
Personnel Costs	15,620,188	17,645,675	16,996,847	16,875,896
Administrative Expenses	436,056	466,295	464,289	469,109
Materials, Supplies & Utilities	1,806,311	1,864,241	2,453,024	2,540,447
Repairs & Maintenance	2,124,039	2,289,533	2,824,530	2,706,706
Purch. Serv. & Other Operating Exp.	6,531,609	6,383,184	6,712,870	6,406,486
Financial Expenditures	213,688	216,619	220,951	225,370
Capital Equipment & Renovations	27,943	46,909	36,205	36,761
Allocations Between Departments	(523,970)	(503,478)	(512,208)	(520,890)
Allocations Within Departments	(674,229)	(699,830)	(713,827)	(728,102)
Allocations to Capital Program	(838,045)	(2,349,923)	(1,141,662)	(674,887)
Gross Expenditure	24,723,590	25,359,225	27,341,019	27,336,896
Ontario/Canada Grants	(35,155)	(35,155)	(35,858)	(36,575)
Fees & Service Charges	(90,000)	(38,200)	(38,964)	(39,743)
Other Revenue	(437,635)	(461,921)	(466,334)	(470,834)
Transfers from Reserves & Reserve Funds	(101,365)	(44,858)	(6,623)	(6,755)
Gross Revenue	(664,155)	(580,134)	(547,779)	(553,907)
Net Direct Expenditure before Indirect Allocation	24,059,435	24,779,091	26,793,240	26,782,989
Indirect Allocation	(24,065,139)	(24,779,091)	(26,793,240)	(26,782,989)
Capital Financing Allocation	5,704			
Indirect Allocation	(24,059,435)	(24,779,091)	(26,793,240)	(26,782,989)
Net Expenditure/(Revenue) After Indirect Allocation	-	-	-	-

** Includes in year budget adjustments*

CSD: SUMMARY OF BUDGET DRIVERS

Of the $24.8 million budget, the net increase of $719,656 in 2015 is largely the result of program changes ($600,190) that will ultimately improve client service, functionality and efficiency. Program changes that relate to facilities are expected to continue to exert cost pressures until expected efficiencies are realized in 2017 and beyond. The savings realized from Niagara Region's broadband network ($330,000) in 2015 will slightly offset these costs.

Cost pressures in 2015 were driven by personnel costs ($322,690), insurance and legal claims ($155,862) and software maintenance and support ($66,360). Anticipated areas of pressure in 2016 and 2017 include contract inflation (labour negotiation, software support and outsourced maintenance), litigation and utility/energy costs.

Focusing on building a stronger One Team culture that promotes greater accountability and collaboration is expected to lead to greater efficiencies, cost savings and revenue generation. The Enhanced Financial Management

Budget Driver Description	**2015 Budget $**	**2016 Budget $**	**2017 Budget $**
Previous Year	24,059,435	24,779,091	26,793,240
+/- Savings/Revenue Adjustments			
Administrative costs (training, travel, dues, etc)	30,239	2,006	4,820
Utilities - Electricity, Natural Gas, Water	(50,552)	149,030	111,458
Repairs & maintenance (right sizing)	(126,493)	62,339	58,622
Software maintenance & licencing costs	66,360	98,950	131,162
Legal claims and insurance premiums	155,862	49,002	49,982
Consulting fees (mobile device monitoring)	31,500		
Property tax exemption granted (Peer Street, Niagara Falls)	(27,000)		
Other revenue (right sizing, expense recovery, etc)	27,514	(5,177)	(5,279)
Other miscellaneous costs/savings	19,346	(35,254)	(13,356)
+/- Other one time adjustments			
+ Smartstream/PS transition year		220,000	(220,000)
+/- Program changes			
Claims administrator	47,462		
IT Project manager	100,000		
Maintenance mechanics	39,911	69,696	29,286
FMP Reporting Analyst		50,553	
Legal Services Lawyer		134,684	
Niagara Regional Broadband Network savings realized	(330,000)		
New ambulance station & fleet centre	203,383		
NRPS facilities (new headquarters net of surplus)	152,927	798,890	(300,867)
Court facilities (new buildings net of lease cost savings)		75,700	(173,500)
Transfer from reserve	56,507	38,235	(132)
+/- Contractual Costs			
Personnel Cost (net of recovery from capital)	322,690	305,495	317,553
Inflationary			
Current Year	**24,779,091**	**26,793,240**	**26,782,989**

CORPORATE SERVICES (CSD) CONT'D

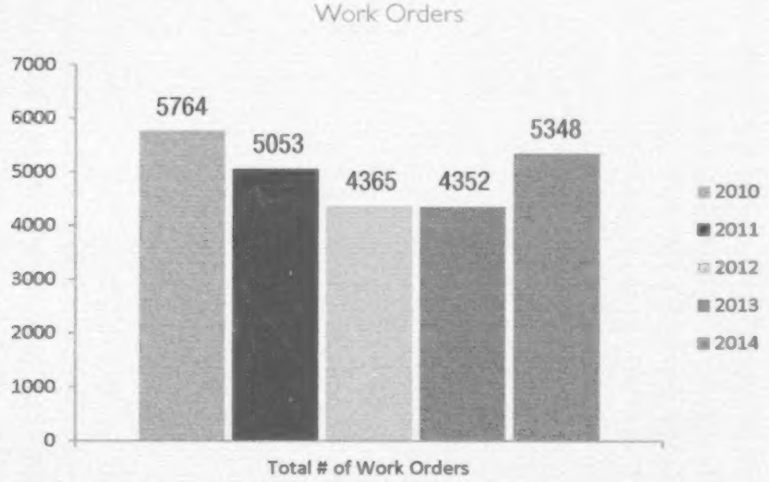
Service project is one of our corporate investments that will enable increased system integration, streamlined business processes, strengthen financial controls and mitigate risk.

CSD: PERFORMANCE METRICS

PROPERTIES MANAGEMENT – WORK ORDERS

Facilities staff has tracked work orders since the implementation of our internal system in 2010. In 2014, approximately 5,300 work orders were processed and completed by facilities staff, who provide service at Public Health, EMS, Public Works, Community Services and Niagara Regional Police Service buildings, in addition to the administrative headquarters of the Niagara Region.

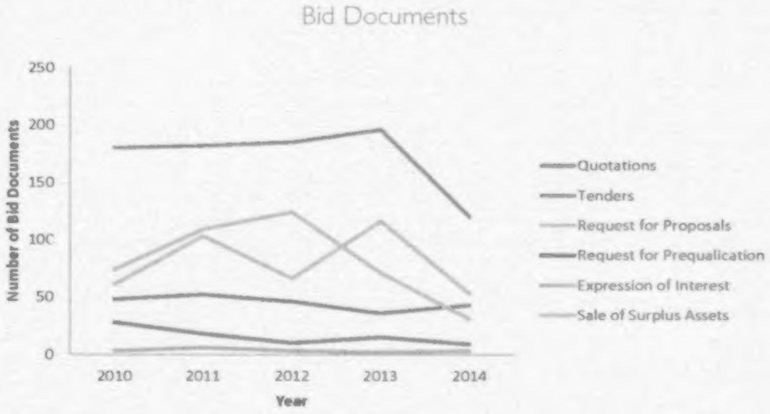
These orders capture requests for service at any of the facilities owned and operated by the Niagara Region, however do not include issues such as strategic accommodation planning, project management, etc. On a monthly basis, the number of work orders varies from 300 to 500 requests.



FINANCIAL MANAGEMENT AND PLANNING – BID DOCUMENTS

Corporate Services supports and manages bid documents for divisions across the Region, including: quotations, tenders, requests for proposals and/or prequalification, expressions of interest, and the sale of assets deemed surplus to the needs of the organization.

The number of documents managed by staff has increased over 100 per cent since 2006 and coincides with staff decline. On average, 58 documents are supported per purchasing employee; a significant increase from the 22 documents per purchasing employee in 2006. This growth supports the increasing complexity and scrutiny surrounding the purchasing process in a public organization.



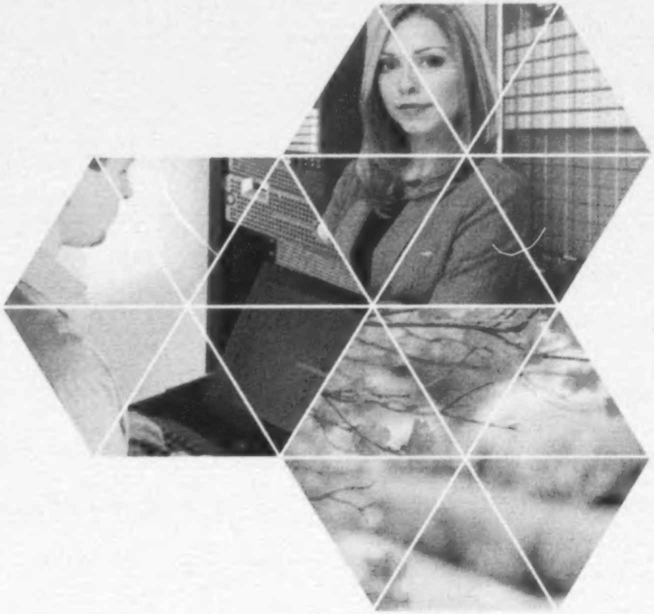
CORPORATE SERVICES (CSD) CONT'D

IT SOLUTIONS – "SERVICE DESK" REQUESTS

IT service desk supports clients with technology issues, including installation calls, removal and movement of technology resources; issues with access, hardware, telecom; and support for resources across all Regional locations - diversified by both client and geography.

Over half of the requests are resolved in less than 30 minutes, however the varied nature of our clients can mean that one request may be a password issue for a software system, while the next could be the installation of a laptop in a long-term care home in Fort Erie. 21,744 requests were forecast to be resolved in 2013, a significant increase from the 16,500 logged in 2009.

Year	IT Service Requests
2010	17, 761
2011	15,819
2012	19,784
2013	21,744
2014	25,515



CORPORATE SERVICES (CSD) CONT'D

CSD: CAPITAL BUDGET HIGHLIGHTS

The 2015 capital budget for Corporate Services has a total value of $20, 738, 341 and is comprised of 17 distinct projects. This represents 12 per cent of the Region's total 2015 capital budget. As illustrated in the chart below, 100 per cent of the revenues required to fund the capital budget are derived from the Regions' internal sources.

		Funding Source						
Classification	Gross Capital Request $	Capital Levy $	Debt $	Reserves $	Development Charges $	Area Municipality $	Federal Gas Tax $	Other External $
Emergency Capital Levy Program	0.5	0.5						
Niagara District Airport	0.5	0.5						
Printer Replacement	0.1	0.1						
IT Asset Replacement	1.8	1.8						
IT Systems Replacement	0.5	0.5						
Court Facilities	10.0		10.0					
EMS Support	0.5	0.5						
Regional Headquarters	2.2	2.2						
Long-term Care Homes	0.2		0.2					
Public Health	3.5		3.5					
Miscellaneous	1.0	1.0						
Total	20.8	7.1	13.7	-	-	-	-	-

ECONOMIC DEVELOPMENT (ED)

DEPARTMENT OVERVIEW

The Economic Development division is the facilitator of business entry, growth and development in Niagara. Functions of the division include:

- Identifying conditions that attract or impede business
- Advocating for actions that will enhance regional competitiveness and innovation
- Identifying and promoting strategic economic cluster growth, including the attraction of new investment and jobs
- Supporting actions that help existing business startup and grow

Economic Development supports business growth and economic prosperity by focusing on collaboration, sector expertise, and responsiveness to current and anticipated opportunities.

ED: SUPPORTING COUNCIL'S STRATEGIC PRIORITIES

Economic Development is committed to advancing Regional Council's 2015 – 2018 strategic priorities. Examples of 2015 initiatives supporting Council's priorities include:

FOSTERING INNOVATION, INVESTMENT AND ENTREPRENEURSHIP

- Economic Development Action Plan - working with local Economic Development Officers, CAOs, post-secondary institutions, Innovate Niagara and Vineland Research and Innovation Centre to implement the Team Niagara Joint Economic Development Action Plan. The plan emphasizes investment attraction, innovation and entrepreneurship; economic research and analysis; and advocacy to drive results on four key measures: employment growth, building permit growth, regional population growth and increases in the number of new businesses.
- Expedited process for development - working with the Region's Planning and Development team, and others, to develop and promote a more development-friendly approach in cooperation with local area municipalities and industry to establish an expedited process that will eliminate unnecessary delays in the planning approval process.

BUILDING A LABOUR-READY WORKFORCE

- Joint strategy on youth retention with post-secondary institutions and businesses – working with post-secondary institutions using pilot projects to move quickly on activities (e.g., skills training in trades and a paramedicine program).

POSITIONING NIAGARA GLOBALLY

- Strategy to improve global attractiveness – engaging new Canadians who reside in Niagara and develop strategies to improve Niagara's attractiveness to prospective residents, businesses and investors from across the world. In addition, the team will leverage international events, such as the Pan/Parapan American Games and World Dragonboat Racing Festival, as well as international recognition of Niagara Falls to attract foreign investment to Niagara.
- Federal commitment to Foreign Trade Zone in Niagara - working with industry partners and has committed to participate in resolving international trade and accessible border issues and working to establish a Foreign Trade Zone in Niagara

ED: BUDGET SUMMARY
(GROSS $2,274,556, NET $2,274,556)

Economic Development's has a 2015 approved budget of $2,274,556. This represents a 30 per cent increase over the prior years' approved budget of $1,748,377.

The 2015 Economic Development budget provides for continuance of the objectives above that commenced in 2014 and will continue to be implemented over 2015. Ongoing initiatives include support to the Gateway Economic Zone marketing plan, maintenance of the Manufacturing Cluster program and implementation of the Economic Growth Strategy.

The 2015 budget will also support the Team Niagara Economic Action Plan (EAP). Team Niagara EAP is an improved, collaborative relationship between the Niagara Region (Economic Development division) and local EDOs and municipalities, and builds on existing relationships with industry and post-secondary stakeholders. The funding request is $500,000 per year over four years, from 2015 through 2018. This initiative will focus on inward and expanded business development/investment attraction; increased innovation and entrepreneurship; and focused economic research and analysis to support these priorities and long-term growth and prosperity in Niagara.

Object of Expenditure Description	**2014 Budget $***	**2015 Budget $**	**2016 Budget $**	**2017 Budget $**
Personnel Costs	680,508	706,687	720,819	735,236
Administrative Expenses	61,500	63,994	65,274	66,580
Materials, Supplies & Utilities	13,000	9,500	9,690	9,883
Purch. Serv. & Other Operating Exp.	880,000	1,310,000	1,326,200	1,342,724
Financial Expenditures	110,000	180,000	183,600	187,272
Allocations Between Departments	3,369	4,375	4,462	4,552
Gross Expenditure	**1,748,377**	**2,274,556**	**2,310,045**	**2,346,247**
Net Direct Expenditure before Indirect Allocation	**1,748,377**	**2,274,556**	**2,310,045**	**2,346,247**
Indirect Allocation	221,795	426,688	434,999	444,196
Capital Financing Allocation	138,399	95,555	97,467	99,415
Indirect Allocation	**360,194**	**522,243**	**532,466**	**543,611**
Net Expenditure/(Revenue) After Indirect Allocation	**2,108,571**	**2,796,799**	**2,842,511**	**2,889,858**

** Includes in year budget adjustments*

ED: SUMMARY OF BUDGET DRIVERS

Service demands in 2015 impacting the net budget increase of $500,000 arise from implementation of the Team Niagara Action Plan. These service demands follow the three key pillar themes:

INVESTMENT ATTRACTION/INNOVATION AND ENTREPRENEURSHIP

Cultivate and obtain new investments (domestic and foreign) that align with Niagara's business assets and strengths in order to increase growth and prosperity within the region's business community. 30 per cent of the $500,000 action plan budget for 2015 has been allocated to this pillar.

ECONOMIC RESEARCH AND ANALYSIS

Create and disseminate relevant and current data about the region, and strong market intelligence/analysis to develop initiatives for strategic investment attraction/leverage, marketing, outbound/inbound missions and benchmark the Niagara region and its business community going forward. 50 per cent of the $500,000 action plan budget for 2015 has been allocated to this pillar.

ECONOMIC DEVELOPMENT (ED) CONT'D

ADVOCACY

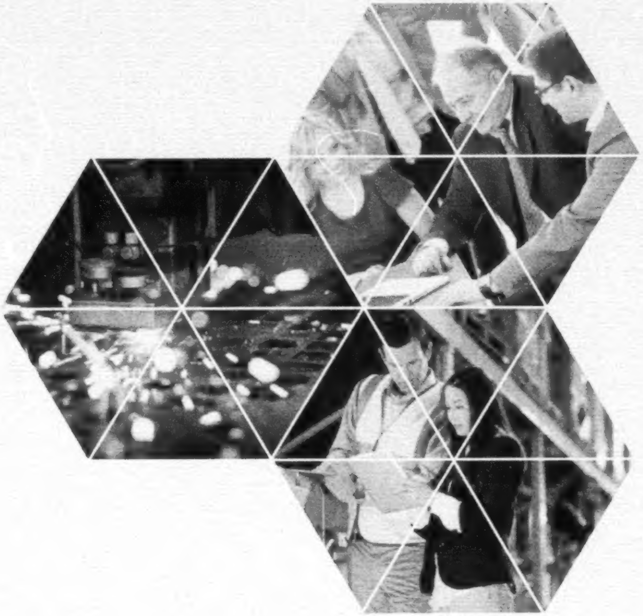
To advocate for communities across Niagara region and their stakeholders/partners on key economic issues and policies that significantly affect local businesses, in order to raise awareness of the region's strengths and challenges. To build relationships with key officials across all levels of government in Canada, in order to improve the exchange and comprehension of information and analysis. Niagara region's strengthend profile will lead to increased access to public sector programming and outreach. 20 per cent of the $500,000 action plan budget for 2015 has been allocated to this pillar.

Budget Driver Description	2015 Budget $	2016 Budget $	2017 Budget $
Previous Year	1,748,377	2,274,556	2,310,045
+/- Savings/Revenue Adjustments			
+/- Other one time adjustments			
+/- Program changes			
Service Enhancement - Team Niagara EAP	500,000		
Transfer from Contractual Services	(70,000)		
Transfer to Grants	70,000		
+/- Contractual Costs			
Personnel Cost	26,179	35,489	36,202
Current Year	2,274,556	2,310,045	2,346,247

ED: PERFORMANCE METRICS

The Economic Development department measures performance using the following indicators to monitor their progress as it relates to business growth and economic prosperity:

- Jobs growth (source: Statscan)
- Building Permit Growth (source: Municipalities)
- New Business Start-ups (source: Statscan and Ontario Network of Entrepreneurs)
- Business Investment (source: Ontario Network of Entrepreneurs and local organizations)



GENERAL GOVERNMENT (GG)

DEPARTMENT OVERVIEW

The General Government budget covers revenues and expenditures for programs such as the Youth Retention, Wainfleet Beach, Smarter Niagara Incentive and Development Charge grant programs. This section also covers as capital financing, capital levy reserve contributions and debt charges. These are described as follows:

Niagara Youth Attraction and Retention – This budget supports funding for co-operative programs and summer student placements.

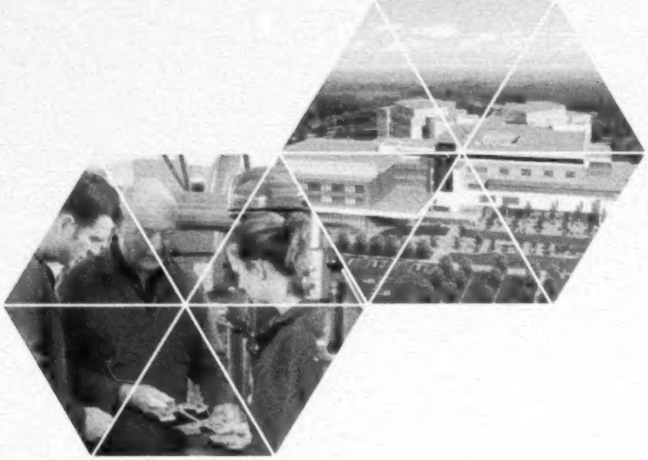
Wainfleet Beach – Funding support to maintain services for the Regional beach in Wainfleet

Capital Financing - The Region relies on multiple sources of financing to fund its capital program, this section of the budget covers both capital levy reserve contributions and debt charges. An annual operating contribution to the capital levy reserve is budgeted to help fund the capital program. Debt charges for departments and boards are consolidated corporately before indirect allocations; they represent principal and interest payments related to debt held for capital projects.

Regional Programs and Niagara Health System Facility Support – This section of the budget includes a contribution to the Niagara Health System's New Cancer Centre in St. Catharines, as well as grants to the Pan Am Games and Vineland Research and Innovation Centre Greenhouse Commercialization project.

Smarter Niagara Incentive Programs – The Region matches a number of development incentives, such as tax increment grant funding, façade improvements grants and heritage restoration and improvement grants, provided by local area municipalities within Community Improvement Plan (CIP) areas.

Development Charge Grant – To promote job creation, the Region provides grants to cover the Regional Development Charges (RDC) for industrial development. The Region also supports non-profit groups through an application based program which provides these groups with an opportunity to recover some of their RDC costs on developments, redevelopments or expansions.



GENERAL GOVERNMENT (GG) CONT'D

GG: BUDGET SUMMARY
(GROSS $67,951,278, NET $66,020,137)

The 2015 General Government budget is $66,020,137. This represents an 8.9 per cent increase over the prior years' approved budget of $60,624,905.

This budget includes two business cases related to the grant program for Industrial and nonprofit development charge program ($650,000) and the Smarter Niagara Incentive Program ($403,000).

The majority of the budget relates to capital financing, including both capital levy reserve contributions and debt charges. An annual operating contribution of $13,008,659 to the capital levy reserve is budgeted to help fund the capital program. In 2015 this amount increased by $3,509,770 from 2014. The budget also includes a budgeted transfer to the capital levy reserve of $12,916,544, which is identified as a funding placeholder for committed but unissued debt. In addition to these items this section also houses debt charges for departments and boards; principal and interest payments related to debt held for capital projects total $36,710,084. The debt charges are consolidated corporately before indirect allocations. These three capital financing sources represent $62,635,287 (2014 - $58,292,155) of the general government budget.

Object of Expenditure Description	2014 Budget $*	2015 Budget $	2016 Budget $	2017 Budget $
Materials, Supplies & Utilities		100	100	100
Repairs & Maintenance	41,000	40,000	40,000	40,000
Financial Expenditures	36,475,694	41,189,225	41,388,324	40,493,958
Transfers to Reserves & Reserve Funds	25,199,461	26,721,953	29,934,687	32,161,500
Gross Expenditure	61,716,155	67,951,278	71,363,111	72,695,558
Transfers from Reserves & Reserve Funds	(1,091,250)	(1,931,141)	(1,871,673)	(1,909,106)
Gross Revenue	(1,091,250)	(1,931,141)	(1,871,673)	(1,909,106)
Net Direct Expenditure before Indirect Allocation	60,624,905	66,020,137	69,491,438	70,786,452
Capital Financing Allocation	(58,292,155)	(62,635,287)	(63,954,808)	(65,299,461)
Indirect Allocation	(58,292,155)	(62,635,287)	(63,954,808)	(65,299,461)
Net Indirect Allocation	(58,292,155)	(62,635,287)	(63,954,808)	(65,299,461)
Net Expenditure/(Revenue) after Indirect Allocation	2,332,750	3,384,850	5,536,630	5,486,991

** Includes in year budget adjustments*

GG: SUMMARY OF BUDGET DRIVERS

The net increase of $5,395,232 in the general government budget is mainly driven by the increase in capital financing cost, $4,343,132. The budget also includes two business cases related to the grant programs for Industrial and nonprofit development charges, and Smarter Niagara Incentive Program, $650,000 and $403,000 respectively. Tax increment grants are forecasted to increase $2,236,780 in 2016. This increase assumes that all projects approved for funding, that haven't yet been completed, will initiate grant payments.

Budget Driver Description	2015 Budget $	2016 Budget $	2017 Budget $
Previous Year	60,624,905	66,020,137	69,491,438
+/- Other adjustments			
Capital financing (debt charges and capital levy)	4,343,132	1,234,521	1,344,653
+/- Program changes			
Tax increment grants	403,000		
Development Charge Grant Program	650,000		
Smarter Niagara Incentive Program		2,236,780	(49,639)
+/- Contractual Costs			
Wainfleet beach expenditures	(900)		
Current Year	66,020,137	69,491,438	70,786,452

GENERAL GOVERNMENT: NET REVENUE (GG NR)

GENERAL GOVERNMENT: NET REVENUE (GG NR)

DEPARTMENT OVERVIEW

The net revenue budget represents the revenues and expenditures relating to Municipal property assessment costs, tax revenues such as payments in lieu, write-offs, rebates, supplemental taxes, transfers to taxpayer relief reserve and investment income. These are described as follows:

Net Levy Taxation Revenue – Net levy taxation revenues include tax write-offs, consulting services, tax rebates for charitable organizations, vacancy rebates, heritage rebates, supplemental taxes, payment in lieu for power dams as well as other payment in lieu of taxes.

Investment Income – Investment income includes interest earned on all bank accounts, high interest savings accounts, guaranteed investment certificates and bonds held in the investment portfolio, net of amortization of premiums/discounts on bond purchases.

Other Revenue – Other revenues are received from Visa rebates

Municipal Property Assessment Costs - Since 1998 the Region has had the responsibility to fund costs associated with Property Assessment Services. These services are directly provided by the Municipal Property Assessment Corporation (MPAC).

Surplus Property – Revenue and expenses are captured through repairs and maintenance on grounds, consulting, legal and survey expenses, utility expenses, proceeds from the sale of assets, rent, concessions and franchises, and transfers to and from the general capital levy.

Net Reserve Funding – Net reserve funding are the transfers to and from Taxpayer Relief Reserve.

GG NR: BUDGET SUMMARY (GROSS $8,873,232, NET [$15,615,174])

The 2015 General Government Net Revenue budget is $15,615,174. This represents a $2,138,602 decrease over the prior years' approved budget of $17,753,776.

Object of Expenditure Description	Revised Budget $*	2015 Budget $	2016 Budget $	2017 Budget $
Administrative Expenses	500	500	500	500
Materials, Supplies & Utilities	2,000	2,000	2,000	2,000
Repairs & Maintenance	15,000	12,500	12,500	12,500
Purch. Serv. & Other Operating Exp.	5,914,749	5,903,138	5,958,960	6,015,353
Financial Expenditures				
Transfers to Reserves & Reserve Funds	2,729,146	2,955,094	3,540,094	4,370,094
Gross Expenditure	**8,661,395**	**8,873,232**	**9,514,074**	**10,400,447**
Taxation - Levy	(10,475,151)	(8,754,192)	(8,588,343)	(8,370,114)
Other Revenue	(13,359,795)	(13,658,795)	(14,243,795)	(15,073,795)
Transfers from Reserves & Reserve Funds	(2,580,225)	(2,075,419)	(1,649,700)	(1,297,757)
Gross Revenue	**(26,415,171)**	**(24,488,406)**	**(24,481,838)**	**(24,741,666)**
Net Direct Expenditure before Indirect Allocation	**(17,753,776)**	**(15,615,174)**	**(14,967,764)**	**(14,341,219)**
Capital Financing Allocation				
Indirect Allocation				
Net Indirect Allocation				
Net Expenditure/(Revenue) without Indirect Allocation	**(17,753,776)**	**(15,615,174)**	**(14,967,764)**	**(14,341,219)**

** Includes in year budget adjustments*

GG NR: SUMMARY OF BUDGET DRIVERS

The decrease of $2,138,602 is largely a result of a decrease in payment in lieu taxes based on previous year actual receipts and a transfer of funds to the Taxpayer Relief Reserve, $1,720,959 and $425,754 respectively.

Budget Driver Description	2015 Budget $	2016 Budget $	2017 Budget $
Previous Year	(17,753,776)	(15,615,174)	(14,967,764)
+/- Savings/Revenue Adjustments	8,000		
+/- Other adjustments			
Property assessment	(16,111)	55,842	56,373
Investment income		125,719	51,943
Taxpayer relief reserve	425,754	300,000	300,000
Payment in lieu of taxes	1,720,959	165,849	218,229
Current Year	(15,615,174)	(14,967,764)	(14,341,219)

GOVERNANCE (GOV)

DEPARTMENT OVERVIEW

Governance of Niagara Region is comprised of the Office of the Regional Chair, 31 Regional Councillors, Clerks Secretariat and Administration, and the Responsive Region Improvement Team (RRIT). Combined, this team provides political leadership over Niagara Region and its many programs and services.

The Municipal Act, 2001 defines the major responsibilities of these executive management functions as:

- Council sets priorities and approves related policies and programs
- The Regional Chair acts as the Region's Chief Executive Officer, presiding over Council and providing political leadership

GOV: SUPPORTING COUNCIL'S STRATEGIC PRIORITIES

2015 marked the first year of the new term of Council. As a part of the term, Council established five key priorities that focus on fostering an environment for economic prosperity. These strategic priorities will help Niagara grow, create attractive places for business and investment, and help our residents thrive through greater opportunities.

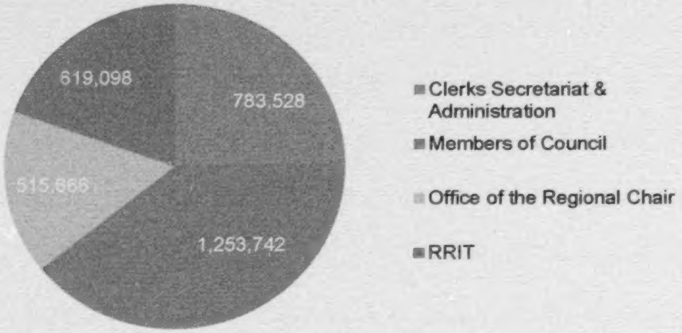
The Regional Chair and Councillors will work closely with the Chief Administrative Officer and staff to advance the following priorities:

- Moving people and goods
- Fostering innovation, investment and entrepreneurship
- Building a labour-ready workforce
- Positioning Niagara globally
- Doing business differently and organizational excellence

Regional Council and staff will monitor, measure and report on the progress our work with the following six performance indicators: growth, employment, investment, infrastructure, taxation and community symptoms.

GOV: BUDGET SUMMARY (GROSS $3,172,034, NET $3,139,634)

The 2015 Governance budget represents a 4.9 per cent comparative increase over prior years' approved budget of $3 million. Incremental expense dollars of $41,100 were added for an Integrity Commissioner to reside over Council.



Object of Expenditure Description	Revised Budget $*	2015 Budget $	2016 Budget $	2017 Budget $
Personnel Costs	2,466,597	2,554,807	2,592,253	2,643,722
Administrative Expenses	220,280	206,322	209,855	213,456
Materials, Supplies & Utilities	51,894	50,279	50,987	51,709
Repairs & Maintenance	550	300	300	300
Purch. Serv. & Other Operating Exp.	288,966	348,266	354,211	360,270
Capital Equipment & Renovations	5,072	2,900	4,743	4,838
Allocations Between Departments	9,140	9,160	9,344	9,530
Gross Expenditure	**3,042,519**	**3,172,034**	**3,221,693**	**3,283,825**
Other Revenue	(20,000)	(32,400)	(33,046)	(33,709)
Transfers from Reserves & Reserve Funds	(28,000)			
Gross Revenue	**(48,000)**	**(32,400)**	**(33,046)**	**(33,709)**
Net Direct Expenditure before Indirect Allocation	**2,994,519**	**3,139,634**	**3,188,645**	**3,250,116**
Indirect Allocation	415,582	504,993	528,136	537,744
Capital Financing Allocation	244,662	202,688	206,741	210,876
Indirect Allocation	**660,244**	**707,681**	**734,877**	**748,620**
Net Expenditure/(Revenue) After Indirect Allocation	**3,654,763**	**3,847,315**	**3,923,522**	**3,998,736**

** Includes in year budget adjustments*

GOVERNANCE (GOV) CONT'D

GOV: SUMMARY OF BUDGET DRIVERS

Service demands in 2015 impacting the net budget increase include:

PERSONNEL COSTS

The Governance budget is largely personnel cost driven, with inflationary pressures leading to an increase of $88,210 in the 2015 budget.

PURCHASING SERVICES & OTHER OPERATING EXPENSES

Regional Council approved $41,100 in support of an Integrity Commissioner to reside over Council. An additional $18,000 is built into the 2015 budget to maintain the eScribe system in support of an improved Council reporting process.

Budget Driver Description	2015 Budget $	2016 Budget $	2017 Budget $
Previous Year	2,994,519	3,139,634	3,188,645
+/- Savings/Revenue Adjustments			
Other revenue	(12,400)	(648)	(661)
+/- Other one time adjustments			
New Council activities	(28,000)		
AMO Niagara	9,000		
+/- Program changes			
Integrity Commissioner	41,100		
+/- Contractual Costs			
Personnel Cost	88,210	37,446	51,469
eScribe software maintenance	18,000		
Purchased services		4,000	4,080
Other	1,205	8,213	6,583
Transfer to reserve and reserve fund	28,000		
Current Year	3,139,634	3,188,645	3,250,116

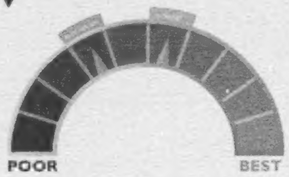
GOV: PERFORMANCE MEASURES

Regional Council has implemented a system of performance metrics that will demonstrate to residents and businesses that we are fostering an environment for economic prosperity in Niagara. Measures include:

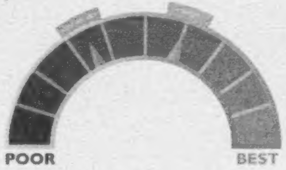
- **Growth**
- **Employment**
- **Investment**
- **Infrastructure**
- **Taxation**
- **Community Symptoms**

Over the term of Council, Regional Council and staff will work together to measure our performance and move the performance dials to ensure that Niagara's economy remains on the right track.

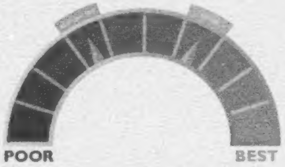
Growth



Infrastructure

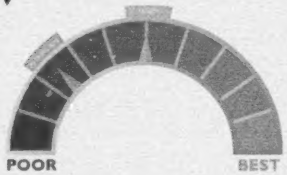


Employment

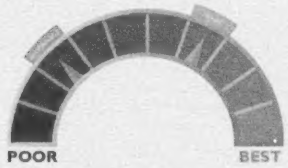


Taxation

Investment



Community Symptoms



PLANNING AND DEVELOPMENT SERVICES (PDS)

DEPARTMENT OVERVIEW

Planning and Development Services creates healthy and prosperous communities by providing services and fostering partnerships through the following operating divisions:

- Development Services guides healthy, safe, livable communities and protects our natural and built assets by managing development related planning applications and policies, and implementing Provincial and Regional policies that guide growth
- The Community and Long Range Planning division promotes strategic growth and policy through land use planning, community planning, development tracking and building permits, financial incentive programs and customer service
- The Infrastructure Planning and Development Engineering division provides strategic planning to support growth management, land use planning and development, and private servicing/septic review and approval

SUPPORTING COUNCIL'S STRATEGIC PRIORITIES

Planning and Development Services is committed to advancing Regional Council's 2015 – 2018 strategic priorities. Examples of 2015 initiatives supporting Council's priorities include:

MOVING PEOPLE AND GOODS

- Partnering with Metrolinx to initiate a mobility hub study for four local hubs (St. Catharines, Grimsby, Niagara Falls and Beamsville) that will focus on full connectivity with expanded GO rail service
- Providing operational support to advocacy efforts that position the Niagara-GTA corridor as an alternate route to the QEW, connecting Fort Erie to the GTA through south Niagara (previously known as the Mid-Peninsula highway)
- Supporting the Transportation Master Plan through integrated growth planning and infrastructure planning

INVESTMENT, INNOVATION AND ENTREPRENEURSHIP

- Leading the review of several significant Provincial plans, including the Greenbelt Act, Places to Grow plan and Niagara Escarpment plan to ensure these plans evolve in a manner that assists local and prospective businesses

POSITIONING NIAGARA GLOBALLY

- Supporting the development of a growth strategy that will position Niagara to meet projected population growth targets - recognizing that immigration is critical to meeting this goal
- Developing strategies that will improve Niagara's attractiveness to prospective residents, businesses and investors from across the world

DOING BUSINESS DIFFERENTLY AND ORGANIZATIONAL EXCELLENCE:

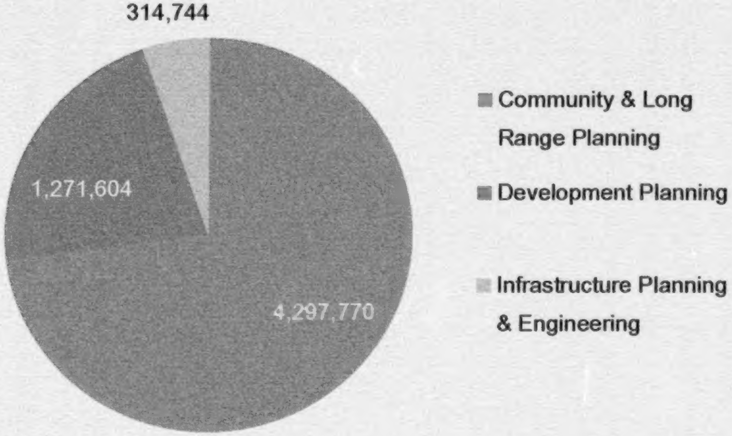
- Pursuing options to expedite the decision-making process, while eliminating any unnecessary delays for business and investors in Niagara while maintaining transparency and accountability to the public
- Supporting the roll-out of an integrated customer service model that addresses the multiple ways customers access Niagara Region services

PDS: BUDGET SUMMARY
(GROSS $5,884,118, NET $3,073,570)

Planning and Development Services has a gross expenditure budget of $5,884,118 and a net budget of $3,073,570 million. This represents a 14 per cent increase over the prior years' approved budget of $2,688,565.

A significant initiative this year will be the support of the GO Rail service through the Mobility Hubs study. Mobility hubs are key opportunities for Niagara to continue exceeding the Places to Grow density targets for intensification and greenfield development. Mobility hubs are also a key enabler of employment land development and job creation in Niagara. $500,000 has been allocated in the 2015 budget to support this study.

Niagara Region is committed to investing in the cultural sector through actions identified in the Niagara Culture Plan. Investing in the cultural sector contributes to gross regional product, labour income and job growth. Funding for this initiative of $300,000 has been approved on an ongoing basis.



Object of Expenditure Description	2014 Budget $*	2015 Budget $	2016 Budget $	2017 Budget $
Personnel Costs	3,399,097	3,489,373	3,588,507	3,660,278
Administrative Expenses	109,550	108,673	110,848	113,063
Materials, Supplies & Utilities	22,900	23,600	24,073	24,553
Repairs & Maintenance	2,000	2,500	2,550	2,600
Purch. Serv. & Other Operating Exp.	415,112	1,396,825	587,821	606,261
Financial Expenditures	2,285,000	1,687,401	1,695,149	1,703,052
Capital Equipment & Renovations	16,650	3,500	8,415	8,583
Allocations Between Departments	(944,753)	(827,754)	(827,551)	(827,340)
Allocations Within Departments	1,609			1
Gross Expenditure	**5,307,165**	**5,884,118**	**5,189,812**	**5,291,051**
Fees & Service Charges	(856,100)	(971,548)	(990,979)	(1,010,799)
Other Revenue	(12,500)	(10,000)	(10,200)	(10,404)
Transfers from Reserves & Reserve	(1,750,000)	(1,829,000)	(1,000,000)	(1,000,000)
Gross Revenue	**(2,618,600)**	**(2,810,548)**	**(2,001,179)**	**(2,021,203)**
Net Direct Expenditure before Indirect Allocation	**2,688,565**	**3,073,570**	**3,188,633**	**3,269,848**
Indirect Allocation	816,978	1,049,294	1,078,852	1,099,621
Capital Financing Allocation	662,044	426,979	435,518	444,229
Indirect Allocation	**1,479,022**	**1,476,273**	**1,514,370**	**1,543,850**
Net Expenditure/(Revenue) After Indirect Allocation	**4,167,587**	**4,549,843**	**4,703,003**	**4,813,698**

** Includes in year budget adjustments*

PLANNING AND DEVELOPMENT SERVICES (PDS) CONT'D

PDS: SUMMARY OF BUDGET DRIVERS

Service demands in 2015 impacting the net budget increase include:

MOBILITY HUBS STUDY

Mobility hubs are key opportunities for Niagara to continue to exceed the Places to Grow density targets for intensification and greenfield development. In addition, the mobility hubs study has been identified as a key enabler of employment land development and job creation in Niagara.

MUNICIPAL COMPREHENSIVE REVIEW

The Municipal Comprehensive Review will help to define how and where Niagara will grow (people and jobs) to 2041. Niagara is forecasted to have 610,000 people and 234,000 jobs in 2041.

LAKEFRONT ENHANCEMENT STRATEGY

Investment in lakefront projects will support growth and investment (private and public sector) across Niagara.

NIAGARA INVESTMENT IN CULTURE PROGRAM

Over 2015 Niagara Region will provide incentives for organizations that promote Niagara culture by investing in innovative, collaborative projects.

Summary of Budget Drivers	2015	2016	2017
Previous Year	2,688,565	3,073,570	3,188,633
+/- Savings/Revenue Adjustments			
+/- Other one time adjustments			
Transfer from Development Charge Reserve - General Government	(329,000)	329,000	
Consulting (Municipal Comprehensive Review)	430,000	(329,000)	
Consulting (Mobility Hub Study)	500,000		
Transfer from Reserve	(500,000)		
Lakefront Enhancement Strategy Grant	(750,000)		
Transfer from Capital Levy Reserve	750,000		
AWD	(1,609)		
Revenue Increase	(108,204)		
+/- Program changes			
Remove IT Capital Replacement Budget	(8,750)		
Service Enhancement - Niagara Investment in Culture	300,000		
+/- Contractual Costs			
Personnel Cost	98,624	89,401	60,189
Other	3,944	25,662	21,026
Current Year	3,073,570	3,188,633	3,269,848

PUBLIC HEALTH (PH)

DEPARTMENT OVERVIEW

Niagara Region Public Health is committed to the public health needs of our community. We demonstrate this commitment through health protection, disease prevention, health promotion, and injury prevention programs.

Public Health delivers health programs and services in the following areas:

- Communicable disease control
- Immunization
- Sexual health
- Dental health
- Environmental health
- Surveillance and evaluation
- Chronic disease and injury prevention
- Health promotion and information
- Family health
- Emergency Medical Services
- Emergency management

SUPPORTING COUNCIL'S STRATEGIC PRIORITIES

Niagara Region Public Health believes that being strongly connected to our communities is vital to optimizing the health and prosperity of Niagara. Social determinants of health have an impact on a community's' ability to thrive. From healthy pregnancies, optimal early childhood development, to walkable communities and connected transit, food security, all contribute to a healthy and prosperous Niagara.

Initiatives supporting Council's strategic priorities include:

- Receipt of mental health funding and further advocacy for enhanced funding to support early intervention services ensures access to timely and appropriate services, whereby contributing to clients achieving success in their daily lives.
- Striving for excellence through continuous quality improvement, the implemented Outbreak Quality Improvement Initiative is a collaborative effort between Public Health and long-term care facilities. This initiative increases support for long-term care facilities before, during and after an outbreak and uses a dashboard to track outbreak management performance.
- Contributing to the integrated customer service system initiative, Public Health is reinforcing the importance the customer service transaction in all areas of business. This includes focused education, staff feedback, and the implementation of a customer service charter, all of which will serve to provide important information to the overall customer service strategy.
- Working as One Team, meeting establish program mandates and providing high quality services, staff from across the department are committed to positioning Niagara as a prosperous community to live, work, learn, and play.

PH: BUDGET SUMMARY
(GROSS $36,286,458, NET $4,549,419)

Public Health's 2015 budget is $4,549,419. This represents an 8.6 per cent increase over the prior years' approved budget of $4,189,701. This translates to a net increase of $359,718.

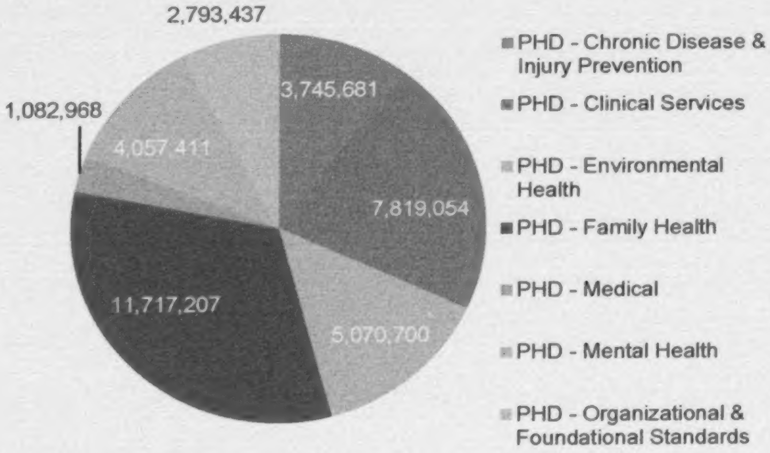
Revenues in the mental health program have decreased $155,348, or 98 per cent.

Purchased services in the medical program have increased by $113,000 related to the ongoing physician recruitment program.

Multi-Year Schedule of Expenditure

Budget Driver Description	2014 Budget*	2015 Budget $	2016 Budget $	2017 Budget $
Personnel Costs	30,676,421	31,584,292	32,163,055	32,721,321
Administrative Expenses	1,066,682	1,083,014	1,085,672	1,105,775
Materials, Supplies & Utilities	1,160,214	1,134,266	1,155,684	1,178,238
Repairs & Maintenance	67,918	60,839	61,600	54,950
Purch. Serv. & Other Operating Exp.	2,450,732	2,424,201	2,318,108	2,351,330
Capital Equipment & Renovations	208,800	60,200	161,715	164,941
Allocations Between Departments	(84,162)	(60,354)	(57,861)	(55,274)
Gross Expenditure	**35,546,605**	**36,286,458**	**36,887,973**	**37,521,281**
Ontario/Canada Grants	(30,543,744)	(31,282,267)	(31,706,227)	(32,135,881)
Fees & Service Charges	(406,119)	(392,119)	(396,700)	(396,700)
Other Revenue	(235,463)	(62,653)	(66,653)	(66,653)
Transfers from Reserves & Reserve	(171,578)	-	-	-
Gross Revenue	**(31,356,904)**	**(31,737,039)**	**(32,169,580)**	**(32,599,234)**
Net Direct Expenditure before Indirect Allocation	**4,189,701**	**4,549,419**	**4,718,393**	**4,922,047**
Indirect Allocation	4,397,220	4,788,731	4,987,409	5,078,217
Capital Financing Allocation	2,538,281	2,355,875	2,402,990	2,451,055
Indirect Allocation	**6,935,501**	**7,144,606**	**7,390,399**	**7,529,272**
Net Expenditure/(Revenue) After Indirect Allocation	**11,125,202**	**11,694,025**	**12,108,792**	**12,451,319**

** Includes in year budget adjustments*



PH: SUMMARY OF BUDGET DRIVERS

Service demands in 2015 impacting the net budget increase include:

PHYSICIAN RECRUITMENT AND RETENTION

The Niagara Region's physician recruitment and retention program began in October 2014 and will continue through 2015. Physician recruitment will ensure that Niagara region's health and wellness is supported with respect to physician availability. The funding for 2015 will be a cost of $113,000.

PERSONNEL COSTS

Personnel costs are the largest expenditure in the operating budget, accounting for 87 per cent of the overall expenditures. Ministry revenue is forecast to increase at two per cent for 2015 and one per cent each year thereafter as health continues to be a stated priority for the provincial government.

PUBLIC HEALTH (PH) CONT'D

Budget Driver Description	**2015** **Budget $**	**2016** **Budget $**	**2017** **Budget $**
Previous Year	4,189,701	4,549,419	4,718,393
+/- Savings/Revenue Adjustments			
Other revenue	14,483	-	-
+/- Other one time adjustments			
Beach monitoring equipment	(69,000)	(1,112)	
Reserve transfer for equipment	42,000		
Purchased services - EMR Implementation	(80,040)	(32,483)	
Computer replacements	(32,000)	35,000	
Allocation Between Department - POA	16,230		
Purchased services - Legal, special projects	(46,242)		
Other revenue	2,979	(3,000)	
Reserve transfer for Wallington	44,778		
Reserve transfer for EMR	84,800		
Vaccine Revenue	15,000	(4,469)	
Outer Office Renewal	-	19,500	
+/- Program changes			
Physician Recruitment	113,000	(112,000)	1,000
Ministry Funding	(366,092)	(423,960)	(429,654)
+/- Contractual Costs			
Salaries and benefits	690,866	589,578	569,291
Equipment		27,500	
Other	(71,044)	74,420	63,017
Current Year	4,549,419	4,718,393	4,922,047

PH: PERFORMANCE METRICS

Increase in uptake of 18 month Enhanced Well Baby Visit

Ontario is the first province in Canada to fund a primary care visit with standardized tools for developmental assessment for children at 18 months of age. At this time in a child's life, there are important developmental milestones. These visits ensure that parents have an opportunity to have a more detailed discussion about their child's development. Reaching these important milestones is essential in setting a child up for a positive trajectory in life.

Research has indicated that less than half of eligible children in Ontario have received the Enhanced Well Baby Visit (EWBV) visit, especially in communities that are socially vulnerable, of mothers who were younger than 19 at pregnancy, and are patients of physicians who are non-Canadian trained and been practicing longer than 10 years.

Recognizing these barriers, Niagara invested in a strategy to increase the percentage of children receiving the 18 month EWBV visit from approximately 40 per cent (2008) to 53 per cent (2010). One of the initial strategies included a dedicated .5 FTE 18 month public health nurse (PHN) position. The PHN conducted "physician detailing" that includes facilitated visits to Family Health Teams, general practitioners, and paediatricians to support implementation of the 18 month EWBV. The primary care engagement coordinator, who provides centralized engagement to primary care, will use additional research findings, along with those findings indicated earlier, to target Family Health Teams and other primary care providers.

Over 131 mental health clients were supported through the Early Psychosis Intervention program

Access to early and appropriate treatment for psychosis, the better the outcome. Psychosis can be treated and many clients make a good recovery if treated early. Clients are between the ages of 14 to 35 years of age. The Early Psychosis Intervention (EPI) program supports clients to a level of recovery that allows them to maintain or return to school or work.

In 2014, the performance target was 75 clients. However, the EPI program supported 131 clients, 56 clients above the performance target. This demand demonstrated a need for more funding which was received in 2015 to establish a new service , Early Intervention (EI) program targeting youth 17 to 25 years of age who are aging out of the youth sector or who are connecting with the mental health sector for the first time. The EI service intends to target the gap that exists between the youth and adult sector.

While an immediate need was addressed, it is anticipated that the funding received will not sustain the long-term needs of our communities. Therefore, advocacy for enhanced mental health funding and services is one of Regional Council's Strategic Priorities initiatives.

PH: NIAGARA EMERGENCY MEDICAL SERVICES (PH – EMS)

Niagara Emergency Medical Services (EMS) includes:

- Land ambulance and emergency medical dispatch services
- Emergency management
- 9-1-1 emergency telephone division

The land ambulance and dispatch service is committed to providing high quality, emergency, pre-hospital care to all residents and visitors of Niagara. The service is made up of advanced care and primary care paramedics, system status controllers (emergency medical dispatchers), 17 ambulance bases across the region and one community response unit.

The emergency management program is responsible for the readiness of the Region in response to emergency events impacting our communities. This program consists of two emergency management coordinators who oversee the development and implementation of the Region's emergency management plan, ensure compliance with emergency management legislation, and coordinate training and exercises.

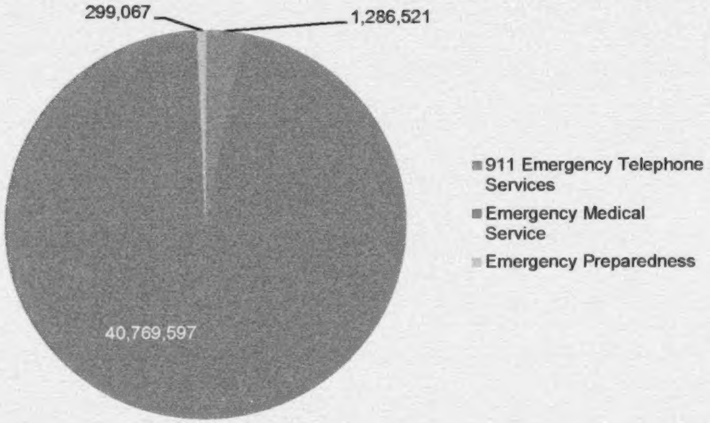
The 9-1-1 emergency telephone services division is responsible for the oversight and administration of the 9-1-1 Public Safety Answering Point contract between the Region and Niagara Regional Police Services.

PH - EMS: BUDGET SUMMARY (GROSS $42,355,185, NET $17,102,242)

Niagara Emergency Medical Services (EMS) 2015 budget is $17,102,242. This represents a 5.8 per cent increase over the prior years' approved budget of $16,165,286.

Budget Driver Description	**2014 Budget $***	**2015 Budget $**	**2016 Budget $**	**2017 Budget $**
Personnel Costs	32,229,927	36,086,760	38,888,007	39,623,430
Administrative Expenses	205,547	178,000	188,284	191,908
Materials, Supplies & Utilities	1,868,020	2,175,588	2,324,804	2,436,297
Repairs & Maintenance	626,996	672,259	697,144	711,310
Purch. Serv. & Other Operating Exp.	1,081,790	1,748,240	1,627,880	1,631,148
Capital Equipment & Renovations	162,558	188,051	182,684	181,250
Transfers to Reserves & Reserve Funds	1,192,560			
Allocations Between Departments	1,236,080	1,306,287	1,338,788	1,372,107
Gross Expenditure	**38,603,478**	**42,355,185**	**45,247,591**	**46,147,450**
Ontario/Canada Grants	(22,282,688)	(23,619,288)	(25,271,315)	(26,747,436)
Fees & Service Charges	(2,004)	(2,500)	(2,500)	(2,500)
Other Revenue	(153,500)	(182,842)	(152,512)	(155,233)
Transfers from Reserves & Reserve Funds		(1,448,313)	(940,599)	
Gross Revenue	**(22,438,192)**	**(25,252,943)**	**(26,366,926)**	**(26,905,169)**
Net Direct Expenditure before Indirect Allocation	**16,165,286**	**17,102,242**	**18,880,665**	**19,242,281**
Indirect Allocation	2,301,139	2,637,678	2,776,450	2,834,769
Capital Financing Allocation	1,334,541	3,134,954	3,275,144	3,416,138
Indirect Allocation	**3,635,680**	**5,772,632**	**6,051,594**	**6,250,907**
Net Expenditure/(Revenue) After Indirect Allocation	**19,800,966**	**22,874,874**	**24,932,259**	**25,493,188**

** Includes in year budget adjustments*



PUBLIC HEALTH (PH – EMS) CONT'D

PH – EMS: BUDGET DRIVERS

Service demands in 2015 impacting the net budget increase include:

REALLOCATION OF TRANSFER TO RESERVES

A corporate-wide review and rationalization of reserve and reserve balances was approved by Council in 2014. This allows for an efficient allocation of resources and funding support for programs such as the capital asset management plan. As part of reserve rationalization efforts, a reallocation of the transfer to reserve and reserve fund to capital financing allocation has decreased the operating budget by $1.2 million.

AMBULANCE RESOURCES REPORT

Forecasted expenditures related to the Ambulance Report has increased the operating budget by $1.4 million in 2015. The Ambulance Report was prepared in June 2014 which outlined resource requirements of Niagara Emergency Medical Services. The report recommended additional ambulance resources to assist with alleviating pressures due to increasing call volume in the Niagara region. Council approved the addition of two 24-hour ambulance crews and two operations supervisors effective in the fall of 2014 as recommended in the report. Council also approved the recommendation in the report for staff to budget for two additional 24-hour ambulance crews, two operations supervisors and two support staff to be implemented in Q4 2015. The resources to be added in 2015 are subject to council approval. The $1.4 million consists primarily of personnel costs related to the addition of ambulance resources in Q4 2014 as well as costs relating to the potential resources to be added in Q4 2015.

PERSONNEL COSTS

Increase in the personnel budget by $867, 000 relates primarily to the expiry in Q4 2014 of the union agreement pertaining to the majority of EMS unionized staff, subsequent renegotiation of a new collective agreement, and other inflationary personnel cost pressures.

Budget Driver Description	**2015** Budget $	**2016** Budget $	**2017** Budget $
Previous Year	16,165,286	17,102,242	18,880,665
+/- Savings/Revenue Adjustments			
Conferences and seminar revenues	(5,000)	(100)	(100)
Reallocation of Computers to IT	(11,290)		
Administrative Expenses	(37,616)		
Leases	(77,927)		
Other Contractual Services	(37,392)		
Consulting/Legal Services - Dispatch	(15,004)		
Tools & Supplies - Dispatch	(15,000)		
Uniforms - Dispatch	(8,004)		
Other Savings - Dispatch	(21,241)		
MOHLTC Revenue - LA & Dispatch	(473,231)	(429,706)	(462,355)
+/- Other one time adjustments			
System Status Controller Trainees (none	(171,703)	171,703	
Pearson Textbooks		15,000	(15,000)
+/- Program changes			
Membership and conferences	10,000		
Ambulance Report	1,436,310	1,090,516	(126,926)
Ministry download of rent/telephone costs	187,805		
Pharmaceutical/Medical Supply Dispensing	12,250		
+/- Contractual Costs			
Personnel costs	866,776	738,847	802,454
Lieu/Overtime	317,040		
Medical Supplies & Pharmaceuticals	116,834	41,242	42,312
Vehicle Washes	28,930		
Building Repairs & Maintenance	26,000		
Reallocation of Transfer to reserve and	(1,192,560)		
Other	979	150,921	121,230
Current Year	**17,102,242**	**18,880,665**	**19,242,280**

PH - EMS PERFORMANCE METRIC

Niagara Emergency Medical Services overall response time is in 90th percentile

In 2013, the 90th percentile response time for an ambulance in Niagara was 10 minutes and 10 seconds. This time has continued to grow since 2012 and as a result additional resources were approved in Q4 of 2014 to address service demand increase. Niagara EMS works towards meeting Niagara's council-approved Response Time Performance Plan that measures response times to meet varying health acuities within our community.

Niagara EMS personnel, paramedics and dispatchers, are incredibly dedicated to their profession and the service they provide to Niagara's residents.

PH – EMS: CAPITAL BUDGET HIGHLIGHTS

The 2015 capital budget for the Public Health and Emergency Medical Services programs has a total value of $2,332,737, and is comprised of three distinct projects. This represents one per cent of Niagara Region's total 2015 capital budget. 100 per cent of the revenues required to fund the 2015 capital budget are derived from the Regions' internal sources.

Major highlights of the 2015 Capital Program include:

ANNUAL AMBULANCE AND EQUIPMENT REPLACEMENT

Consists of annual replacement of ambulances and operations vehicles to keep the average age of the fleet within Ministry of Health and Long-Term Care guidelines and reduce the risks of vehicle failure and repairs associated with older vehicles. The planned replacements in 2015 consist of eight ambulances, three operations supervisor vehicles, and minor equipment.

FIRE DEFIBRILLATOR REPLACEMENT

This capital project consists of the replacement of defibrillators for fire services across Niagara (60 units total anticipated). Defibrillators for fire services have been provided in the past as part of the tiered emergency response in Niagara. The existing units are nearing the end of their useful lives.

MEDICAL INVENTORY AUTOMATED SYSTEM

Planned capital costs consisting of the anticipated purchase of six drug dispensing machines to track real inventory and dispense drugs and other medical supplies from designated EMS hubs in the region. These machines will allow the realization of efficiencies in stock allocation and tracking.

		Funding Source						
Classification	Gross Capital Request $	Capital Levy $	Debt $	Reserves $	Development Charges $	Area Municipality $	Federal Gas Tax $	Other External $
Ambulance and Equipment	2.0		2.0					
Fire Defibrilator Replacement	0.2			0.2				
Medical Inventory System	0.2		0.2					
Total	2.3	-	2.2	0.2	-	-	-	-

PUBLIC WORKS (PW)

DEPARTMENT OVERVIEW

Every resident, property owner, business and rate payer in Niagara is in some way affected by the programs and services provided by Public Works three operating divisions:

TRANSPORTATION SERVICES DIVISION

The Public Works department is responsible for a regional road network that provides a vital transportation link between Niagara's municipalities and connects with the larger provincial road network to link Niagara with neighbouring communities and markets

The Region is responsible for the planning, design, construction and maintenance of major arterial roads, including more than 180 bridges and culverts, as well as signs and traffic signals. Transportation Services also funds the operation of Niagara Specialized Transit and Niagara Region Transit.

WASTE MANAGEMENT DIVISION

Waste Management provides and coordinates waste, recycling and organics collection services, diversion programs and associated disposal or processing of material, delivering the same, consistent base level of service to all 12 municipalities in Niagara. In 2014, Waste Management managed over 257,000 tonnes of material and a residential waste diversion rate of approximately 52 per cent was achieved. Services include:

- Operating and maintaining three Regional landfills, a Recycling Centre, Municipal Hazardous & Special Waste (MHSW) facility, MHSW event days, four public drop-off depots, and special diversion program and events
- Management of long-term organics processing and disposal contracts
- Providing residential and commercial curbside waste, recycling and organics collection programs
- Perpetual care of 11 closed landfills
- Program education, outreach and enforcement

WATER AND WASTEWATER DIVISION

Water and Wastewater is responsible for treating and delivering clean drinking water to 11 of Niagara's municipalities as well as treating the wastewater generated in Niagara, ensuring that this water is safe to return to our lakes and rivers.

Wastewater services: In 2014, 73.4 billion litres of wastewater was treated at 11 plants, and collected through 123 pump stations and 283 km of wastewater mains

Water services: In 2014, 56.5 billion litres of potable water was produced at six plants and transmitted through 39 facilities and 316 km of water mains.

SUPPORTING COUNCIL'S STRATEGIC PRIORITIES

Public Works is committed to advancing Regional Council's 2015 – 2018 strategic priorities. Examples of 2015 initiatives supporting Council's priorities include:

MOVING PEOPLE AND GOODS

- Supporting the development of a business case and advocacy efforts that will bring daily GO rail commuter service to Niagara Falls (with stops in Grimsby, St. Catharines and Niagara Falls)
- Developing a Transportation Master Plan that will identify and leverage the greatest opportunities for Niagara related to roads, rails, transit, marine, air and active transportation

FOSTERING INNOVATION, INVESTMENT AND ENTREPRENEURSHIP

- Managing the development and construction of a new waste water treatment facility in Niagara on the Lake to increase operational efficiency and ensure sufficient treatment capacity for the next two decades
- Implementing infrastructure enhancements at the Recycling Centre to generate more revenue to help offset the costs of waste management and reduce area municipal requisitions e.g. Optical Sorter, Eddy Current, Glass Clean-up System and EPS (Expanded Polystyrene) Densifier

- Investigating investments and bidding for third party materials to increase or optimize the amount of recyclables that can be processed at the Recycling Centre and sold to end markets, to generate more revenue
- Optimizing industry stewardship program funding and ensuring sustainable financing for waste management programs through funding submissions and influencing Provincial policy related to diversion program funding (e.g. Extended Producer Responsibility) through participation on Municipal/Industry Committees

DOING BUSINESS DIFFERENTLY AND ORGANIZATIONAL EXCELLENCE:

- Supporting the roll-out on an integrated customer service model that addresses the multiple ways customers access Niagara Region services
- Service level review to identify optimized system design to develop the most cost-effective system with the greatest potential for diversion for the next collection contract
- Review of services at Regional and Walker drop-off depots and operational assessment at Bridge St. drop-off depot
- Implementation of new MHSW permanent depots
- Monitoring new and emerging alternative disposal technologies for future consideration and assessing what technology or combination of technologies is viable for implementation in Niagara
- Increasing diversion and maximizing waste reduction through initiatives such as:
    - Southern Ontario Food Collaborative
    - Reusable material drop off centre at Niagara Road 12 Landfill site
    - Multi-residential waste electrical and electronics equipment (WEEE) collection pilot and pilot ambassador program
    - Increasing the number of material streams accepted in the Blue/Grey Box recycling program
    - In-House Conservation with completion of a Waste Reduction Plan pilot
    - Mattress and carpet program pilot completion and recommendations for permanent program
    - Fat, Oils and Grease (FOGs) collection program implementation
    - Mixed use and institutional property recycling and green cart collection service
    - Focused campaign to increase diversion efforts at institutional, commercial and industrial (IC&I) properties within enhanced Designated Business Areas and review of need for enhanced services
    - Targeted social marketing and public outreach campaigns to increase participation in diversion and improve quality of captured materials through the IC&I Diversion Awards, Plastic Bags Campaign – Phase 2 and Green Bin Campaign, and Waste Reduction Week/Earth Week
- Expanding disposal capacity through Humberstone Landfill site Environmental Assessment process

PUBLIC WORKS (PW) CONT'D

- Disposal infrastructure optimization, inventory and replacement through the following initiatives:
    - Disposal asset inventory with life cycle analysis and identification of replacement cost
    - Post closure landfill liability study
    - Landfill site capacity updates
    - Landfill gas collection and containment system - Humberstone Landfill
    - Decommissioning landfill gas collection and flaring system - Glenridge Naturalization Site
    - Weigh scale replacement - Niagara Road 12 Landfill
    - Construction of trails - Centre St. Leash Free Dog Park
    - Leachate pumping station upgrades - Niagara Road 12 and Park Road Landfills
    - Pumping wells - Mountain Road and Quarry Road Landfills
    - Long term plan - Mountain Road Landfill
- Environmental compliance projects and initiatives at open and closed landfill sites as follows:
    - Aquatic risk assessment and remedial alternatives - Stream C Quarry Road Landfill
    - Constructed wetland redesign - Quarry Road Landfill
    - Optimize monitoring network - Bridge Street Landfill
    - Evaluate leachate collection system function at NE corner - Glenridge Naturalization Site
    - Assessment of groundwater level in clay at Humberstone Landfill
    - Develop storm water pond trigger mechanism plan - Line 5 Landfill
    - Storm water management pond upgrade - Niagara Road 12 Landfill
    - Pump and piping installation - Humberstone Landfill
    - Annual Monitoring and Operation Reports

WATER AND WASTEWATER DIVISION

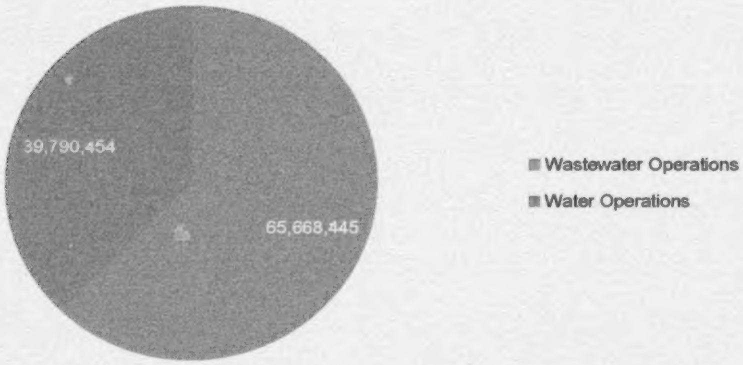
WATER AND WASTEWATER: BUDGET SUMMARY (GROSS $116,365,383, NET REQUISITION $108,118,694)

The Water and Wastewater divisions' 2015 budget is $108,118,694. This represents a 0.84 per cent increase over the prior years' approved budget of $107,222,141.

The total program cost includes both operating related expenditures (representing 53 per cent of total), as well as transfers to reserve and debt charges in support of the capital program (representing 47 per cent of the total). The 2015 budget maintains the FTE complement at 2014 levels (235.6 FTEs).

Object of Expenditure Description	2014 Budget $*	2015 Budget $	2016 Budget $	2017 Budget $
Personnel Costs	21,453,671	22,162,301	22,794,224	23,375,107
Administrative Expenses	513,640	480,256	489,861	499,658
Materials, Supplies & Utilities	13,518,018	13,668,284	14,580,024	15,310,493
Repairs & Maintenance	8,537,731	7,433,689	7,582,363	7,734,010
Purch. Serv. & Other Operating Exp.	12,717,300	12,417,234	12,678,110	12,944,479
Financial Expenditures	5,300,000	6,600,000	6,600,000	6,600,000
Capital Equipment & Renovations	168,980	15,500	15,810	16,126
Transfers to Reserves & Reserve	40,151,006	41,058,601	41,873,973	42,949,021
Allocations Between Departments	2,349,544	2,216,846	2,258,378	2,302,416
Allocations Within Departments	190,761	186,188	193,564	197,425
Allocations to Capital Program	(567,000)	(780,000)	(795,600)	(811,512)
Gross Expenditure	104,333,651	105,458,899	108,270,697	111,117,223
Taxation - Rate	(107,222,141)	(108,118,694)	(110,955,598)	(113,194,724)
Fees & Service Charges	(1,643,039)	(1,609,689)	(1,591 883)	(1,623,721)
Other Revenue	(12,000)	(37,000)	(37,740)	(38,495)
Transfers from Reserves & Reserve	(6,050,000)	(6,600,000)	(6,600,000)	(6,600,000)
Gross Revenue	(114,927,180)	(116,365,383)	(119,185,221)	(121,456,940)
Net Direct Expenditure before Indirect Allocation	(10,593,529)	(10,906,484)	(10,914,524)	(10,339,717)
Indirect Allocation	3,477,382	3,696,416	3,693,796	3,759,513
Capital Financing Allocation	7,116,147	7,210,068	7,220,728	6,580,204
Indirect Allocation	10,593,529	10,906,484	10,914,524	10,339,717
Net Expenditure/(Revenue) After Indirect Allocation	-	-	-	-

Includes in year budget adjustments



PUBLIC WORKS (PW) CONT'D

WATER AND WASTEWATER: SUMMARY OF BUDGET DRIVERS

Service demands in 2015 impacting the net budget increase include:

CAPITAL FINANCING

Cost pressures in 2015 reflect capital financing requirements ($1,001,516) as part of the long term capital financing strategy for the Water and Wastewater program, utility costs, and personnel costs. This has largely been offset through a decrease to repair and maintenance costs, including reducing the emergency repairs expense and decrease in consulting costs supported by analysis of historical trends.

Budget Driver Description	**2015 Budget $**	**2016 Budget $**	**2017 Budget $**
Previous Year	107,222,141	108,118,694	110,955,597
+/- Savings/Revenue Adjustments			
Purchased Services (Consulting, Waste Disposal etc.)	(561,242)		
Repairs & Maintenance	(354,042)		
Materials, Supplies & Admin	(213,676)		
+/- Other adjustments			
Transfers to capital reserves	1,001,516	815,372	1,075,049
Indirect Cost Allocations & Internal Transfers	81,763	41,338	(542,810)
Other Revenue (Sewer Surcharge etc.)	8,350	17,066	(32,592)
+/- Program changes			
NOTL WWTP		250,000	250,000
+/- Contractual Costs			
Personnel costs	708,630	506,922	455,884
Purchased Services (Consulting, Waste		260,876	266,369
Repairs & Maintenance		148,674	151,647
Materials, Supplies & Admin		156,735	161,324
Utilities	225,254	639,920	454,260
Current Year	**108,118,694**	**110,955,597**	**113,194,727**

WATER WASTEWATER: CAPITAL BUDGET HIGHLIGHT

The 2015 capital budget for the Water program has a total value of $24,850,000, and is comprised of 20 distinct projects. This represents 16.0 per cent of the Regions total 2015 capital budget. 100 per cent of the revenues required to fund the 2015 capital cudget are derived from the Regions' internal sources.

Major highlights of the 2015 Water capital program include:

- $6.0M – Welland Watermain East and West
- $6.0M – Port Colborne WTP Upgrades
- $2.8M – Roof Replacements at Water Facilities
- $2.5M – Elm Street Watermain
- $1.5M – Grimsby System Storage

The 2015 capital budget for the Wastewater program has a total value of $31,150,000, and is comprised of 20 distinct projects. This represents 20 per cent of the Region's total 2015 capital budget. As illustrated in the chart below 100 per cent of the revenues required to fund the 2015 capital budget are derived from the Region's internal sources.

Major highlights of the 2015 Wastewater capital program include:

- $18.0M – Welland WWTP Upgrades
- $6.0M – Pump Station Improvements
- $1.5M – Digester & Sludge Management
- $1.4M – Stamford Interceptor Renewal
- $0.6M – Master Meter Replacements

Water		Funding Source						
Classification	Gross Capital Request	Capital Levy	Debt	Reserves	Development Charges	Area Municipality	Federal Gas Tax	Other External
	$	$	$	$	$	$	$	$
Watermain Program	8.6			7.3	1.3			
Treatment Plant Upgrades	10.6			10.6				
Storage Systems	2.5			1.3	1.2			
Miscellaneous Projects	3.2			2.6	0.6			
Total	24.9	-	-	21.8	3.1	-	-	-

Wastewater		Funding Source						
Classification	Gross Capital Request	Capital Levy	Debt	Reserves	Development Charges	Area Municipality	Federal Gas Tax	Other External
	$	$	$	$	$	$	$	$
Sewer & Forcemains	1.5			1.5				
Treatment Plant Upgrades	21.7			21.6	0.2			
Pump Station Improvements	6.0			5.4	0.6			
Miscellaneous Projects	2.0			1.8	0.1			
Total	31.2	-	-	30.3	0.9	-	-	-

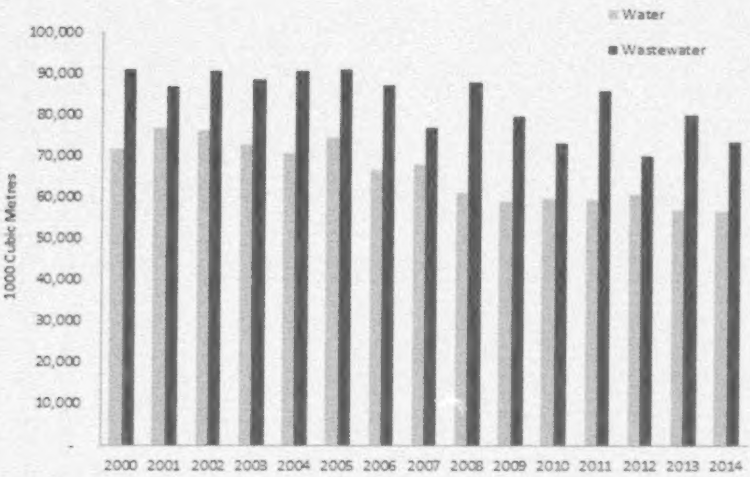
PUBLIC WORKS (PW) CONT'D

PERFORMANCE METRICS

WATER AND WASTEWATER: FLOWS

The Water and Wastewater Division tracks the flow of water produced by Niagara Region as well as the flow of wastewater that is treated by the Region. These numbers provide an historical basis for the prediction of future water use. Predictions on future water flows are one of the primary drivers behind the setting of the water rate for the coming year. An increase in wet weather, including snow melts, increases the amount of wastewater that needs to be treated.

Historical Volumes (Flows 1,000 m³)



WASTE MANAGEMENT: BUDGET SUMMARY (GROSS $51,958,907, NET REQUISITION ($35,578,802)

The Waste Management divisions' 2015 budget is $35,578,802. This represents a 0.66 per cent increase over the prior years' approved budget of $35,345,808.

Approximately 42 per cent of the net budget is related to the waste collection and disposal program areas, followed by 26 per cent for organics collection and processing, 10 per cent for recycling collection and processing and the remaining net budget is for a range of other diversion programs, planning, and administration.

Object of Expenditure Description	2014 Budget $*	2015 Budget $	2016 Budget $	2017 Budget $
Personnel Costs	3,721,053	3,834,330	3,911,017	4,028,554
Administrative Expenses	303,296	327,206	333,750	340,425
Materials, Supplies & Utilities	2,924,291	3,763,605	3,868,164	2,801,548
Repairs & Maintenance	849,271	939,583	958,375	854,863
Purch. Serv. & Other Operating Exp.	35,906,091	36,876,957	38,066,047	38,294,589
Capital Equipment & Renovations	61,154	4,500	19,800	20,106
Transfers to Reserves & Reserve	784,034	784,034	3,130,542	3,650,834
Allocations Between Departments	165,943	90,594	93,818	97,292
Allocations Within Departments	56,022	56,057	57,178	58,322
Allocations to Capital Program	(181,300)	(79,000)	(80,880)	(82,511)
Gross Expenditure	**44,589,855**	**46,597,866**	**50,357,811**	**50,064,022**
Taxation - Rate	(35,345,808)	(35,578,802)	(36,189,200)	(37,626,491)
Fees & Service Charges	(4,089,850)	(3,974,750)	(3,974,750)	(3,974,750)
Other Revenue	(3,102,875)	(3,107,603)	(3,192,653)	(3,292,903)
Transfers from Reserves & Reserve	(7,230,412)	(9,297,752)	(9,967,752)	(7,397,852)
Gross Revenue	**(49,768,945)**	**(51,958,907)**	**(53,324,355)**	**(52,291,996)**
Net Direct Expenditure before Indirect Allocation	**(5,179,090)**	**(5,361,041)**	**(2,966,544)**	**(2,227,974)**
Indirect Allocation	1,041,583	1,277,856	1,295,569	1,317,140
Capital Financing Allocation	4,137,507	4,083,185	1,670,975	910,834
Indirect Allocation	**5,179,090**	**5,361,041**	**2,966,544**	**2,227,974**
Net Expenditure/(Revenue) After Indirect Allocation	-	-	-	-

** Includes in year budget adjustments*

Program changes that are included in the 2014 budget support the Region's effort to continue to increase the diversion rate with a focus on areas such as mattress/box spring and carpet/underpad recycling, and the multi-residential electronics collection pilot. In addition, a consolidation of the number of Municipal Hazardous & Special Waste program event days is proposed based on an analysis of participation rates, volumes received and contract costs and to align service levels with the funding provided and municipal comparators.

The 2015 budget maintains the existing FTE complement at the 2014 level (33 FTEs).

WASTE MANAGEMENT: SUMMARY OF BUDGET DRIVERS

Service demands in 2015 impacting the net budget increase include:

REGION OF WATERLOO CONTRACT

The largest pressures on the 2015 Waste Management program results from an increase in gross operating costs associated with the award of the Region of Waterloo fibre and plastic film/bags processing contract. Other pressures are attributable to Walker compost processing contract and base collection contract escalations. The gross budget pressures in 2015 amount to an increase of $2,189,962.

The net budget pressure has been largely mitigated by the increase in revenue of $1,956,968 due primarily to the recycling processing revenues from the contract with the Region of Waterloo. The net revenue increase directly attributable to the Waterloo contract is approximately $250,000. After accounting for all Waste Management revenue sources such as recycling processing revenue, sales of Niagara Ecoglass, Waste Diversion Ontario funding, landfill tipping fees, garbage tag sales and the reduction in industry funding for Municipal Hazardous and Special Waste program, the net 2015 increase comes to 0.66 per cent.

Pressures in the years 2016 and 2017 include escalations in the cost of existing contracts based on fixed inflationary escalators. Also, the potential loss of net revenue generated through the Niagara Regions agreements with Haldimand and Waterloo as these contracts expire, and costs to increase diversion rates will impact the forecast. Staff will continue to identify cost savings or revenue generation opportunities to mitigate these anticipated pressures.

Budget Driver Description	**2015 Budget $**	**2016 Budget $**	**2017 Budget $**
Previous Year	35,345,808	35,578,802	36,189,200
+/- Savings/Revenue Adjustments			
Industry stewardship program funding	115,100		
Fees and charges	(4,728)	(85,050)	(100,250)
Optical sorter impact on Regional and Haldimand/ Waterloo tonnage revenue		(670,000)	422,100
+/- Other one time adjustments			
Sustainable savings based on historical revenue analysis	(540,026)		
+/- Program changes			
Closure of Bridge Street Landfill			(318,668)
Net revenue processing revenue increase (award of Waterloo contract)	(250,000)		
Net revenue processing revenue decrease (end of Waterloo and Haldimand contracts)			335,313
+/- Contractual Costs			
Personnel costs (net of capital recovery)	215,577	74,807	115,906
Repairs, maintenance and other	33,658	34,092	19,473
Collection contract increases	262,649	677,603	691,436
Materials, supplies and expenses		104,559	95,047
Purchased services and other operating expenses		511,487	343,919
Indirect allocations and debt charges	181,951	(2,394,497)	(738,570)
Transfers to capital reserves		2,346,508	520,292
Other	218,813	10,889	51,293
Current Year	**35,578,802**	**36,189,200**	**37,626,491**

CAPITAL BUDGET HIGHLIGHTS

The 2015 capital budget for the Waste Management program has a total value of $3,180,000, and is comprised of 14 distinct projects. This represents two per cent of the Region's total 2015 capital budget. As illustrated in the chart below 100 per cent of the revenues required to fund the 2015 capital budget are derived from the Regions' internal sources.

Significant projects in the 2015 Capital Budget:

- $1.6M – Recycling Centre Improvements
- $0.5 – Maintenance Management System
- $0.2 – Humberstone Site Improvements

Classification	Gross Capital Request	Funding Source						
		Capital Levy	Debt	Reserves	Development Charges	Area Municipality	Federal Gas Tax	Other External
	$	$	$	$	$	$	$	$
Recycling Centre	1.6			1.6				
Caistor Road	0.1			0.1				
Humberstone	0.3			0.3				
Quarry Road	0.1			0.1				
Glenridge	0.2			0.2				
Line 5	0.1			0.1				
Other Sites	0.1			0.1				
Miscellaneous	0.9			0.9				
Total	3.2	-	-	3.2	-	-	-	-

PERFORMANCE METRICS

WASTE MANAGEMENT: DIVERSION RATES

Since the introduction of new service levels, Niagara's waste diversion rate has increased reaching approximately 52 per cent diversion in 2014 (draft calculation to be verified by Waste Diversion Ontario). The residential waste diversion rate is the percentage of total residential waste generated that is diverted from disposal in a landfill using various reuse, recycling and organics programs. In Niagara, the Region provides weekly curbside collection of Blue Box, Grey Box and Green Bin materials as well as one can/bag of garbage from all households in Niagara with six units or less. This level of weekly curbside collection service to all municipalities in Niagara was introduced in February 2011.

Residents in Niagara continue to demonstrate strong support for the Region's diversion programs with more than 80 per cent of Niagara households consistently participating in the Blue Box program since 2012.

Niagara has been recognized for exemplary achievements in recycling and waste diversion and has received the following awards from the Recycling Council of Ontario:

- Gold Award, in the Municipal Diversion category, recognized the Region's efforts to increase Niagara's diversion rate through the implementation of new and innovative waste diversion programs and through the promotion of programs as part of a comprehensive social marketing and outreach strategy.

PUBLIC WORKS (PW) CONT'D

- Gold Award, in the Municipal Special Programs category, recognized efforts made by the Region and all 12 Local Area Municipalities to address illegal dumping through the creation of the "See It-Report It" campaign. Through collaborative efforts and financial support, from the Local Area Municipalities and the Region, a consistent approach was developed to manage illegal dumping, and to encourage the public to become engaged in reporting illegal dumping.
- Silver Award, in the Municipal Communication category, for the "ReThink Your Waste" activity book, which was created to enhance Niagara Region's Waste Management Elementary Education Program.
- Silver Award, in the Municipal Special Program category, recognized the combined efforts of Emterra Environmental and Niagara Region for their on-going "Make Your Contribution at the Curb"™ Campaign, which is raising funds to purchase new cancer treatment equipment at the Walker Family Cancer Centre.

In addition to the Recycling Council awards, which represent success as part of benchmarking of the Region's performance against that of other municipalities, another communications award was received in 2014. A volunteer-run awards project by the following partners – Pigeonhat, Spacing, Studio Jaywall and Cities Centre and University of Toronto, recognizes municipalities who have made a substantial effort to inform the public about opportunities for citizen participation and actively encourage residents to get involved. Niagara was recognized for a door hanger targeted to multi-residential residents which was used to encourage participation in a survey to provide recycling program feedback and to educate residents on proper sorting and preparation of materials.

Year	Percent Diverted*
2003	37.80%
2004	40.10%
2005	41.40%
2006	41.80%
2007	41.60%
2008	43.20%
2009	44%
2010	42.50%
2011	49.73%
2012	52%
2013*	50%

**New calculation methodology implemented in 2013.*

TRANSPORTATION: BUDGET SUMMARY (GROSS $29,167,079, NET $24,731,031)

The Transportation divisions' 2015 budget is $24,731,031(before indirect allocation). This represents a 3.6 per cent decrease over the prior years' budget of $25,655,430.

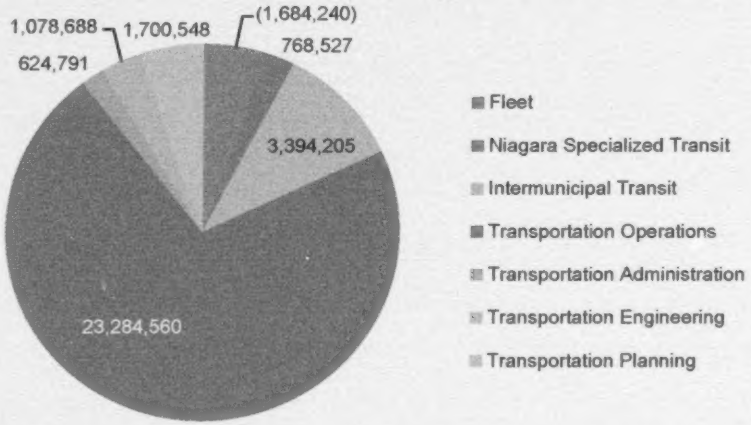
The Public Works Levy divisions proposed 2015 budget of $24,731,031 (before indirect allocations) represents a $924,399 thousand decrease (3.6 per cent) over 2014. The majority of the program cost relate to Transportation Operations ($20,841,769), with the balance attributable to Inter-municipal Transit (2,663,733), Engineering Services ($866,688) and the Niagara Regional Transit pilot ($358,841).

Object of Expenditure Description	2014 Budget $*	2015 Budget $	2016 Budget $	2017 Budget $
Personnel Costs	15,213,182	15,841,155	16,162,978	16,491,503
Administrative Expenses	1,118,408	1,195,149	1,309,323	1,408,635
Materials, Supplies & Utilities	6,331,120	6,291,454	6,528,503	6,751,219
Repairs & Maintenance	321,750	301,000	306,920	312,959
Purch. Serv. & Other Operating Exp.	7,974,203	8,578,197	9,168,197	9,760,869
Financial Expenditures	500,000	500,000	500,000	500,000
Capital Equipment & Renovations	106,314	45,014	45,914	46,832
Transfers to Reserves & Reserve Funds	1,873,577	57,669	115,338	173,007
Allocations Between Departments	(1,866,973)	(1,877,314)	(1,932,534)	(1,990,712)
Allocations Within Departments	(248,392)	(242,245)	(250,732)	(255,747)
Allocations to Capital Program	(1,269,599)	(1,523,000)	(1,554,989)	(1,586,157)
Gross Expenditure	30,053,590	29,167,079	30,398,918	31,612,408
Ontario/Canada Grants	5			
Fees & Service Charges	(2,606,000)	(2,537,390)	(2,587,370)	(2,638,350)
Other Revenue	(764,000)	(813,972)	(858,454)	(902,976)
Transfers from Reserves & Reserve Funds	(1,028,165)	(1,084,686)	(1,134,686)	(1,184,686)
Gross Revenue	(4,398,160)	(4,436,048)	(4,580,510)	(4,726,012)
Net Direct Expenditure before Indirect Allocation	25,655,430	24,731,031	25,818,408	26,886,396
Indirect Allocation	3,674,024	3,333,953	3,492,536	3,557,890
Capital Financing Allocation	27,840,302	29,260,255	32,493,119	34,742,462
Indirect Allocation	31,514,326	32,594,208	35,985,654	38,300,352
Net Expenditure/(Revenue) After Indirect Allocation	57,169,756	57,325,239	61,804,062	65,186,748

** Includes in year budget adjustments*

The 2015 Budget includes $100,000 in funding to support the removal and disposal of Emerald Ash Borer. As well a program change has been included to provide $50,000 to support the Provincial One-Call legislation, ensuring compliance while minimizing risk.

A full year has been budgeted for Niagara Regional Transit pending the outcome of the pilot, with marginal increases to the fare revenue reflected based on continued growth in ridership.



TRANSPORTATION: SUMMARY OF BUDGET DRIVERS

Service demands in 2015 impacting the net budget increase include:

INTER-MUNICIPAL TRANSIT

Regional Council endorsed a ten year inter-municipal transit concept plan to better connect with GO Transit. This is identified as a priority to be implemented in the short term in 2015. A cost pressure of $500,000 will be used towards contract payments for operating two new routes and towards consulting services for studies, media and promotion, and incremental administrative costs.

Budget Driver Description	2015 Budget $	2016 Budget $	2017 Budget $
Previous Year	25,655,430	24,731,031	25,818,408
+/- Savings/Revenue Adjustments			
+/- Other one time adjustments			
+/- Program changes			
Emeral Ash Borer	100,000	100,000	100,000
Provincial One Call	50,000		
Inter-municipal Transit	500,000	500,000	500,000
Regional assumption of illumination from		50,000	50,000
+/- Contractual Costs			
Personnel Cost	627,919	321,823	328,525
Increased allocation to capital	(253,401)	(31,989)	(31,168)
Removal of IT capital replacements	(61,800)		
Reduced vehicle supplies and parts	(50,000)		
Reduced computer software license support	(53,637)		
Increased allocation between departments	(29,960)	(172,883)	(185,561)
Decreased transfer to reserve	(1,873,577)	58,669	60,575
Consulting	46,411		
Motor and vehicle fuel	32,469	37,500	38,625
Other	41,177	224,257	206,992
Current Year	24,731,031	25,818,408	26,886,396

TRANSPORTATION: CAPITAL BUDGET HIGHLIGHTS

The 2015 capital budget for the Transportation and Fleet programs has a total value of $58,870,000, and is comprised of 45 distinct projects. This represents 38 per cent of the Region's total 2015 capital budget. As illustrated in the chart above, 61 per cent of the revenues required to fund the 2015 capital budget are derived from the Regions' internal sources, with the remaining 39 per cent from external sources.

PUBLIC WORKS (PW) CONT'D

Major highlights of the 2015 capital program include:

- $10.9M – Replacement of the Central Avenue Bridge (Fort Erie)
- $7.0M – Road resurfacing throughout the Region as preventative maintenance to help extend the useful life of the roads
- $5.5M – Replacement of both Beaverdams Bridge and Power Canal Bridges over Gibson Lake (Thorold)
- $5.2M – Reconstruction of Mountain Road (Lincoln)
- $3.3M – Replace fleet vehicles and equipment
- $3.1M – Construction of a roundabout on King Street at Durham Road and Greenlane Road to address skewed angles and site lines at intersection (Lincoln)

		Funding Source						
Classification	Gross Capital Request	Capital Levy	Debt	Reserves	Development Charges	Area Municipality $	Federal Gas Tax	Other External $
Roads Rehabilitation	19.2	5.9	8.8		1.2	0.8	2.6	
Structural Rehabilitation	17.5		3.7			0.3	8.0	5.5
Intersection Improvements	6.2	0.9	1.3		1.2	0.3	2.6	
Roads Construction & Signals	5.4	1.9	2.0		0.2	0.4		1.0
Fleet Vehicle Replacements	5.2	1.5		3.7				
Capacity Improvements	4.6	0.5			2.9	0.6		0.5
Operations	0.8	0.8						
Total	58.9	11.3	15.8	3.7	5.4	2.4	13.2	7.0

TRANSPORTATION: PERFORMANCE METRICS

TRANSPORTATION: PAVEMENT CONDITION

Preserving our municipal pavement infrastructure is critical for the viable transportation of people and goods. Preventative pavement maintenance and the timely reconstruction of roadways that have reached the end of their useful service life are important in preserving the value of our infrastructure investment. The Region's Pavement Management System (PMS) is consistent with the Ontario Ministry of Transportation Pavement Condition Rating Guidelines for Municipalities and guidelines and procedures recommended by the Ontario Good Roads Association. The Pavement Management System rates conditions on a scale of 0 to 100. The critical trigger for overlays and surface treatments is 60. Once a pavement reaches a condition level of 45, it is scheduled for reconstruction.

Year	Average Network Pavement Condition Index (PCI)
2005	77
2006	77
2007	76
2008	75
2009	73
2010	72
2011	72
2012	72
2013	72
2014	70

COURT SERVICES (POA)

BOARD OVERVIEW

In January 2001, the Province of Ontario, as part of its strategy to realign provincial and municipal roles in the delivery of public services, transferred the responsibility for the administration and prosecution of Provincial Offences to Niagara Region.

Niagara Region, acting as agent on behalf of the 12 local area municipalities, has established its own administration and courtrooms to deal with charges laid under the Provincial Offences Act (POA).

In administering the Provincial Offences Court, Niagara's staff members are responsible for setting trials, prosecuting certain Provincial Offence matters, recording court proceedings, and receiving fine payments resulting from charges laid by the various police forces and enforcement agencies operating within Niagara. The Region upholds the decisions of the court by pursuing enforcement of unpaid provincial offences fines.

The Provincial Offences Act (POA) is a procedural law for administering and prosecuting Provincial Offences including those committed under the Highway Traffic Act, the Compulsory Automobile Insurance Act, the Trespass to Property Act, the Liquor License Act and other provincial legislation, municipal by-laws and minor federal offences. The POA governs all aspects of the legal process, from serving an offence notice to an accused person to conducting trials including sentencing and enforcement of court decisions.

COURT SERVICES (POA): SUPPORTING COUNCIL'S STRATEGIC PRIORITIES

Niagara Region's Court Services are focused on the following priorities in support of Council's Strategic Priorities:

DOING BUSINESS DIFFERENTLY/ORGANIZATIONAL EXCELLENCE

- Technological solutions to enhance customer service and reduce costs including e-ticketing and video conferencing.
- Reviewing processes using LEAN methodology.
- More aggressive enforcement of delinquent fines through the tax roll.
- Increasing efficiency by consolidating our operations into two facilities.
- Monitor performance measures.

COURT SERVICES (POA) CONT'D

COURT SERVICES (POA): BUDGET SUMMARY (GROSS $5,795,993 NET ($2,939,002))

The 2015 budget distributes $833,838 to the area municipalities and the Region, with gross expenditures of $5,795,993 against total revenues of $8,734,995. This represents an increase of 57.8 per cent over the prior years' approved net revenue budget of $1,862,509 before indirect cost allocations.

This represents a decrease of 3.3 per cent in gross revenue and a decrease of 19.2 per cent in gross expenditures over the 2014 budget. A decrease in revenue is anticipated due to the decrease in charges before the court and the challenges experienced collecting unpaid fines. The overall decrease in expenditures is largely driven by the elimination of contributions to the reserve used to fund new court facilities and decreased volume of charges laid and related processing costs. The reserve contribution will be replaced by the capital financing allocation for debt related to the new court facilities included in this budget as a part of indirect allocations.

Object of Expenditure Description	2014 Budget $*	2015 Budget $	2016 Budget $	2017 Budget $
Personnel Costs	2,115,482	2,203,268	2,243,330	2,286,230
Administrative Expenses	42,929	45,905	45,996	34,989
Materials, Supplies & Utilities	77,130	75,744	72,439	27,815
Repairs & Maintenance		600	612	625
Purch. Serv. & Other Operating Exp.	3,754,020	3,372,924	3,285,992	3,309,867
Financial Expenditures	150,000	100,000	100,000	100,000
Capital Equipment & Renovations	21,982			
Transfers to Reserves & Reserve Funds	1,000,000			
Allocations Between Departments	11,155	(2,448)	(2,198)	(1,940)
Gross Expenditure	7,172,698	5,795,993	5,746,171	5,757,586
Other Revenue	(9,035,207)	(8,734,995)	(8,735,000)	(8,735,000)
Gross Revenue	(9,035,207)	(8,734,995)	(8,735,000)	(8,735,000)
Net Direct Expenditure before Indirect Allocation	(1,862,509)	(2,939,002)	(2,988,829)	(2,977,414)
Indirect Allocation	812,141	924,337	1,056,914	1,000,896
Capital Financing Allocation	28,626	1,180,827	1,181,443	1,182,072
Indirect Allocation	840,767	2,105,164	2,238,357	2,182,968
Net Expenditure/(Revenue) After Indirect Allocation	(1,021,742)	(833,838)	(750,472)	(794,446)

** Includes in year budget adjustments*

COURT SERVICES (POA): SUMMARY OF BUDGET DRIVERS

The most significant drivers for 2015 Court Services budget are volume decreases in charges laid and increased extensions for time to pay fines. The former contributes to the reduction in the amount of overall revenue, ticket processing costs and trial related expenses. The latter contributes to the reduction in the amount of revenue actually collected.

Reduced charges laid are driving court time, adjudication costs, prosecution services, and processing charges down. Savings in prosecution services are anticipated as a result of being less reliant on per diems. Savings in legal and collection costs are anticipated from a change in service providers and methodology used. In addition, previously anticipated cost savings in video conferencing are expected to be realized in 2016 and e-ticketing in 2017. Cost savings related to consolidating operations into two facilities is expected after 2017.

Budget Driver Description

Summary of Budget Drivers	2015	2016	2017
Previous Year	(1,862,509)	(2,939,002)	(2,988,829)
+/- Savings/Revenue Adjustments			
Business forms vs e-Ticket			(12,400)
Utilities - phones (AVAYA)			(27,000)
Consulting & Legal	(12,300)		
Call in prosecutors	(16,800)		
Trans related expenses (revenue decrease)	(162,400)		
Distribtution to LAM's	(191,164)	(83,583)	43,752
Collection charges	(50,000)		
Transfer to reserves	(1,000,000)		
+/- Other one time adjustments			
Advertising for move		7,500	(7,500)
+/- Program changes			
Reduced revenue	296,890		
+/- Contractual Costs			
Personnel Cost	87,786	40,062	42,900
Inflationary	(28,505)	(13,806)	(28,337)
Current Year	(2,939,002)	(2,988,829)	(2,977,414)

NIAGARA PENINSULA CONSERVATION AUTHORITY (NPCA)

DEPARTMENT OVERVIEW

The Niagara Peninsula Conservation Authority's (NPCA) legislative mandate is defined in the Conservation Authorities Act. "…to establish and undertake, in the area over which it has jurisdiction, a program designed to further the conservation, restoration, development and management of natural resources other than gas, oil, coal and minerals." The NPCA's jurisdiction encompasses all of the Niagara region, 21 per cent of the City of Hamilton and 25 per cent of Haldimand County. The peninsula is bordered by the southern lakeshore of Lake Erie, the Niagara River, and the northern lakeshore of Lake Ontario.

The NPCA Mission is to manage our watershed's natural resources by balancing environmental, community, and economic needs.

The NPCA Vision is balancing conservation and sustainable development for future generations by engaging landowners, stakeholders and communities through collaboration.

The NPCA is governed by a Board of Directors appointed by three participating municipalities: 12 Directors from Niagara Region (where each of the twelve local municipalities are represented); two Directors from the City of Hamilton, and one Director from Haldimand County.

There are three departments within the NPCA:

- Watershed Management - oversees all regulatory functions, restoration programs, water quality monitoring and flood forecasting.
- Operations - manages 38 conservation properties, four recreational parks (Balls Falls, Binbrook, Chippawa and Long Beach), education programs, project management, and all capital assets.
- Corporate Services - supports the other two departments with financial accounting, geographical information services, human resources, marketing and community relations. All three departments receive management oversight by the Office of the Chief Administrative Officer.

BUSINESS AND PROGRAM FUNCTIONS

The NPCA's operational budget comprises of several lines of business programs that are focused on achieving its legislative mandate and local community needs, including:

- Corporate Services
  - Financial Accounting and Analysis
  - Geographical Information Services
  - Marketing and Community Relations
- Watershed Management
  - Construction Permits
  - Development Reviews
  - Environmental Assessments
  - Water Quality Monitoring Programs
  - Restoration
  - Remedial Action Plan – Niagara River
  - Forest By-Law Management (Niagara Region)
- Operations
  - Master and Management Plan Development
  - Conservation Land Management
  - Recreational Programs
  - Ecological Programs
  - Asset Management

NIAGARA PENINSULA CONSERVATION AUTHORITY (NPCA) CONT'D

2014-2017 STRATEGIC PLAN

In 2014, the NPCA Board of Directors adopted the first strategic plan of the organization with public and stakeholder engagement. The five focused goals in the Strategic Plan are:

- Transforming Organizational Culture
- Greater Accountability
- Sustainable Infrastructure Management
- Improving Performance in Development Approvals Process
- Effective Policies and Priorities Framework

Performance measures are being developed in 2015 to provide overall performance of the NPCA and to validate goals of the Strategic Plan.

The Strategic Plan also provides for the modernization of the software and business practices of the NPCA. This includes the implementation of a development tracking system, development policy review, improved accounting and payroll systems, web redesign to include online reservation systems, and an improved audit process.

NPCA Gross Budget Summary

NPCA GROSS BUDGET SUMMARY (GROSS $12,072,543, NET $8,802,943 – NPCA) (GROSS $7,371,377, NET $6,878,073 – NIAGARA

The 2015 budget reflects a "correction" year, where the budget is now based on "actuals" from the previous years (correcting over estimated revenue projections and under estimated expense projections), re-allocation of wages and benefits from the capital budget and into the operation budget, re-defining benefit derived, modernizing software and business practices, investing in capital projects, and reducing dependency on reserves.

Of the gross budget, Niagara Region provides 58 per cent of the funding in addition to sole benefit programs, such as: Children's Water Festival, Water Quality Monitoring, Land Acquisition, and Regional Tree and Forest Conservation Bylaw.

Object of Expenditure Description	2014 Budget $*	2015 Budget $
Personnel Costs	5,743,653	5,793,556
Administrative Expenses	454,895	505,220
Materials, Supplies & Utilities	660,121	414,245
Purch. Serv. & Other Operating Exp.	3,330,907	3,369,422
Capital Equipment & Renovations	1,210,600	1,990,100
Allocations Between Departments		
Gross Expenditure	**11,400,176**	**12,072,543**
Other Revenue	(3,569,132)	(3,269,600)
Gross Revenue	**7,831,044**	**8,802,943**
Net Direct Expenditure before Indirect Allocation		
Indirect Allocation		
Debt Allocation		
Indirect Allocation		
Net Indirect Allocation		
Net Expenditure/(Revenue) without Indirect Allocation	**7,831,044**	**8,802,943**

NIAGARA REGIONAL HOUSING (NRH)

BOARD OVERVIEW

Niagara Regional Housing (NRH) has been the administrator of affordable housing for Niagara Region since 2002. Governed by a community-based Board of Directors, NRH provides and advocates for quality affordable housing in Niagara through a combination of legislated programs and services including:

- Ownership and property/asset management of a 2,758 unit rental portfolio valued at over $200 million
- Funding and legislative oversight of a further 4,000 units owned by non-profit and co-operative housing providers
- System management, including funding, of 800 rent supplement units under contracts with private landlords

NRH is continuing five temporary programs in the 2015 budget that are entirely funded by the provincial and federal governments. These off-the-levy programs are:

- Niagara Renovates - home renovation program for private homeowners
- Housing First Pilot – offers homeless households assistance in finding and keeping a home
- Welcome Home Niagara - down-payment assistance for the purchase of a new home
- New affordable housing development – construction of a 65 unit building for seniors
- Housing Allowance - temporary relief to applicants on the Affordable Housing Waiting list

Through these programs, NRH is able to offer a continuum of affordable housing options to more than 30,000 people. All programs are delivered within a legislated environment and in particular, the Housing Services Act (HSA), which is provincial legislation applicable to affordable housing throughout Ontario.

NRH: SUPPORTING COUNCIL'S STRATEGIC PRIORITIES

DOING BUSINESS DIFFERENTLY AND ORGANIZATIONAL EXCELLENCE

NRH is committed to implementing innovative approaches across all business units to provide meaningful service, increase revenues, leverage assets and make affordable housing sustainable for decades to come. For example, the new Fitch Street Seniors building in Welland is financially self-sustaining, universally accessible and exceeds industry benchmarks for energy-efficiency. A model for the future of affordable housing, the Fitch Street building was recognized with a Niagara Community Design Award for Sustainability shortly after opening in 2014. Moving forward, NRH will continue to achieve this standard of excellence in both new affordable housing development and the maintenance and administration of existing units across the region.

BUILD A LABOUR-READY WORKFORCE

NRH leverages relationships with Regional and community partners to improve the lives of tenants struggling with poverty. With safe and affordable housing, tenants have the stability necessary to successfully participate in education, skill development and retraining opportunities to achieve their full potential in the Niagara workforce.

NIAGARA REGIONAL HOUSING (NRH) CONT'D

NRH: BUDGET SUMMARY
(GROSS $50,847,990, NET $27,127,777)

The NRH Board of Directors approved the 2015 operating and capital budgets within the context of balancing fiscal restraint with the legislative requirements and the mandate to sustain the properties transferred from the Province in 2001. This includes the Owned Units portfolio managed directly by NRH as landlord, and oversight of both the 66 Non-Profit and Cooperative Housing Providers and 169 Rent Supplement Private Landlords. The approved 2015 Niagara Regional Housing budget impact on the tax levy is $27,127,777. This represents a 0.8 per cent increase over the previous years' approved budget of $26,914,574.

NRH was given a guidance of $213,203 which represents a 0.8 percent increase over 2014. The guidance was applied to the salary and Pay For Performance increases for 2015. It was also applied to the increase to the 15 per cent of the net 2015 capital budget contribution, which is tied to the long-term Capital Asset Management Plan.

INFLATIONARY INCREASES

86.2 per cent of the NRH budget is made up of non-discretionary items such as legislated subsidy to social Housing Providers, utility costs, municipal property taxes, maintenance repairs and mortgages.

With such a high percentage dedicated to non-discretionary items, limited opportunity remains to absorb exceptional expenditures. Major inflationary increases to the 2014 operating budget included: subsidy increases of .5 per cent, repairs and maintenance of 7.1 per cent, and property tax increase of 2.8 per cent. The inflationary increases were offset by a slight increase in federal funding and savings from the utilities line. Reductions in the overall utility budget are a result of the many energy-efficient improvements NRH has implemented in owned buildings. As budget protection from the risk of fluctuating natural gas, prices NRH has signed a contract with the Housing Services Corporation for locked-in and stable gas costs over the next five years.

The 2015 NRH Operating Budget includes Investment in Affordable Housing Extension (IAH-E) funding in the first quarter only since funding had not been announced by the Ministry prior to budget approval. Adjustments based on full funding will be made in 2015.

The 2015 NRH Operating Budget includes Investment in Affordable Housing Extension (IAH-E) funding in the first quarter only since funding had not been announced by the Ministry prior to budget approval. Adjustments based on full funding will be made in 2015.

Object of Expenditure Description	**2014 Budget $***	**2015 Budget $**	**2016 Budget $**	**2017 Budget $**
Personnel Costs	4,456,526	4,225,696	4,252,418	4,331,466
Administrative Expenses	247,224	182,224	184,684	187,218
Materials, Supplies & Utilities	5,536,937	5,355,110	5,603,052	5,747,890
Repairs & Maintenance	4,015,868	4,301,202	4,387,216	4,474,950
Purch. Serv. & Other Operating Exp.	5,044,521	5,189,506	5,326,688	5,467,753
Financial Expenditures	2,901,255	2,736,745	2,522,832	2,391,140
Capital Equipment & Renovations	30,000	10,000	30,000	30,000
Housing Provider Subsidy & Supplements	29,223,771	27,606,535	27,641,428	28,128,879
Transfers to Reserves & Reserve Funds	581,974	742,901	786,620	796,299
Allocations Between Departments	481,603	482,824	492,481	502,330
Allocations Within Departments	14,719	15,247	15,247	15,247
Gross Expenditure	**52,534,398**	**50,847,990**	**51,242,666**	**52,073,172**
Ontario/Canada Grants	(12,252,136)	(10,417,525)	(9,981,752)	(9,892,706)
Other Revenue	(13,278,688)	(13,278,688)	(13,378,688)	(13,478,688)
Transfers from Reserves & Reserve Funds	(89,000)	(24,000)	(24,000)	(24,000)
Gross Revenue	**(25,619,824)**	**(23,720,213)**	**(23,384,440)**	**(23,395,394)**
Net Direct Expenditure before Indirect Allocation	**26,914,574**	**27,127,777**	**27,858,226**	**28,677,778**
Indirect Allocation	1,127,140	1,072,919	1,117,556	1,134,067
Capital Financing Allocation	2,463,337	3,221,048	3,285,468	3,351,177
Indirect Allocation	**3,590,477**	**4,293,967**	**4,403,024**	**4,485,244**
Net Expenditure/(Revenue) After Indirect Allocation	**30,505,051**	**31,421,744**	**32,261,250**	**33,163,022**

** Includes in year budget adjustments*

NIAGARA REGIONAL HOUSING (NRH) CONT'D

NRH: SUMMARY OF BUDGET DRIVERS

Service demands in 2015 impacting the net budget increase include:

- Decrease in utility costs for both gas and water
- Decrease in NRH debenture expense
- One-time increase in Federal Revenue
- Adjustments to the Investment in Affordable Housing (IAH) Programs as only one quarter of the year included in the budget. Extension to the program is forthcoming.
- Decrease in salaries costs due to adjusted benefit rates
- Inflationary increases to Rent Supplement, Materials and Services, Taxes and Housing Provider Subsidy

Budget Driver Description	2015 Budget $	2016 Budget $	2017 Budget $
Previous Year	26,914,574	27,127,777	27,858,226
+/- Savings/Revenue Adjustments			
Utilities	(214,120)		
NRH Debentures Expense	(164,510)		
Federal Revenue	(86,508)		
+/- Other one time adjustments			
IAH Expenditures - Extention forthcoming	(1,774,440)		
IAH Revenues	1,921,119		
Salaries Under IAH	(146,679)		
+/- Program changes			
+/- Contractual Costs			
Inflationary	517,414		
Increase in 15% contribution to Capital	160,927	730,449	819,552
Current Year	27,127,777	27,858,226	28,677,778

NRH: CAPITAL PROGRAM

The 2015 Capital Budget for the Niagara Regional Housing (NRH) program has a total value of $5,472,779, and is comprised of four distinct projects. This represents 3.5 per cent of the Region's total 2015 capital budget. As illustrated in the chart below, 83 per cent of the revenues required to fund the 2015 Capital Budget are derived from the Regions' internal sources, with the remaining 17 per cent from external sources.

		Funding Source						
Classification	Gross Capital Request $	Capital Levy $	Debt $	Reserves $	Development Charges $	Area Municipality $	Federal Gas Tax $	Other External $
NRH - Building Capital	2.0		1.3	0.2				0.5
NRH - Emergency Capital	0.2			0.2				
NRH - Grounds Capital	0.6		0.6	0.0				
NRH - Units Capital	2.6		1.9	0.2				0.5
Total	5.5	-	3.8	0.7	-	-	-	1.0

NIAGARA REGIONAL POLICE SERVICE (NRPS)

DEPARTMENT OVERVIEW

The Niagara Regional Police Service is dedicated to serving and protecting residents and visitors within the Regional Municipality of Niagara.

In partnership with the community, we shall provide quality policing services with integrity, diligence and sensitivity

NRPS: SUPPORTING COUNCIL'S STRATEGIC PRIORITIES

The Service supports Council's Strategic priorities by fulfilling our mandated responsibility to prevent crime, enforce the law, assist victims, maintain public order and provide emergency response to calls for help.

NRPS: BUDGET SUMMARY (GROSS $150,777,779, NET $134,363,433)

The 2015 Niagara Regional Policing budget achieved the 2.79 per cent budget guidance target set by Regional Council. The 2015 approved budget of $134,363,433 represents a $3.6 million dollar increase over the prior years' approved budget of $130,716,267.

The Niagara Regional Police Service operating budget is prepared with the objective of providing a realistic estimate of the cost of providing mandated policing services within an affordable and sustainable tax levy. The budget preparation process is conducted in consideration of Regional objectives, with efforts to balance the information requirements of the Region as outlined in the Municipal Act with the accountabilities of the Police Service Board under the Police Service Act.

The foundation of the 2015 budget is consistent with prior years; the Service must meet adequacy standards while providing efficient and effective policing.

Object of Expenditure Description	**2014 Budget $***	**2015 Budget $**	**2016 Budget $**	**2017 Budget $**
Personnel Costs	130,232,057	134,227,399	137,583,084	141,022,661
Administrative Expenses	1,672,821	1,679,365	1,724,708	1,771,275
Materials, Supplies & Utilities	4,934,450	4,880,568	5,012,343	5,147,677
Repairs & Maintenance	2,267,649	2,205,443	2,264,990	2,326,145
Purch. Serv. & Other Operating Exp.	2,841,281	2,795,380	2,870,855	2,948,368
Financial Expenditures	4,000	4,000	4,000	4,000
Capital Equipment & Renovations	425,000	384,258	394,633	405,288
Transfers to Reserves & Reserve Funds	4,782,715	5,695,047	6,607,379	7,519,711
Allocations Between Departments	(1,054,501)	(1,093,681)	(1,121,447)	(1,150,259)
Gross Expenditure	**146,105,472**	**150,777,779**	**155,340,545**	**159,994,866**
Ontario/Canada Grants	(5,971,132)	(6,883,464)	(7,266,185)	(7,649,113)
Fees & Service Charges	(7,023,988)	(7,158,390)	(7,556,396)	(7,954,619)
Other Revenue	(1,694,085)	(1,972,492)	(2,104,097)	(2,235,578)
Transfers from Reserves & Reserve Funds	(700,000)	(400,000)	(400,000)	(400,000)
Gross Revenue	**(15,389,205)**	**(16,414,346)**	**(17,326,678)**	**(18,239,310)**
Net Direct Expenditure before Indirect Allocation	**130,716,267**	**134,363,433**	**138,013,867**	**141,755,556**
Indirect Allocation	5,179,275	5,252,158	6,319,637	6,018,135
Capital Financing Allocation	6,469,688	5,385,391	5,493,100	5,602,962
Indirect Allocation	**11,648,963**	**10,637,549**	**11,812,737**	**11,621,097**
Net Expenditure/(Revenue) After Indirect Allocation	**142,365,230**	**145,000,982**	**149,826,604**	**153,376,653**

** Includes in year budget adjustments*

NIAGARA REGIONAL POLICE SERVICE (NRPS) CONT'D

NRPS: SUMMARY OF BUDGET DRIVERS

The Niagara Regional Police Service faced a number of budget pressures that impacted the 2015 Budget. With a significant portion of the total budget consisting of salaries and benefits, the Service's budget is characterized as having a high non-discretionary composition. Since all but three of the positions within our total Authorized Strength are covered by a collective agreement, the Service is subject to the complexities of the provincial police collective bargaining environment.

Understanding the significant impact of the personnel costs, the Service took a number of steps to mitigate the 2015 budget impact and meet recommended guidance of 2.79 per cent. Strategies included detailed program reviews, rationalization and reduction of discretionary expenditures, continued restriction of backfill for civilians to operationally essential positions and reprioritization of resources.

Budget Driver Description	2015 Budget $	2016 Budget $	2017 Budget $
Previous Year	130,716,267	134,363,433	138,013,867
+/- Savings/Revenue Adjustments			
Insert			
+/- Other one time adjustments			
Insert			
+/- Program changes			
Insert	(348,176)	294,749	302,112
+/- Contractual Costs			
Personnel Cost	3,995,342	3,355,685	3,439,577
Current Year	134,363,433	138,013,867	141,755,556

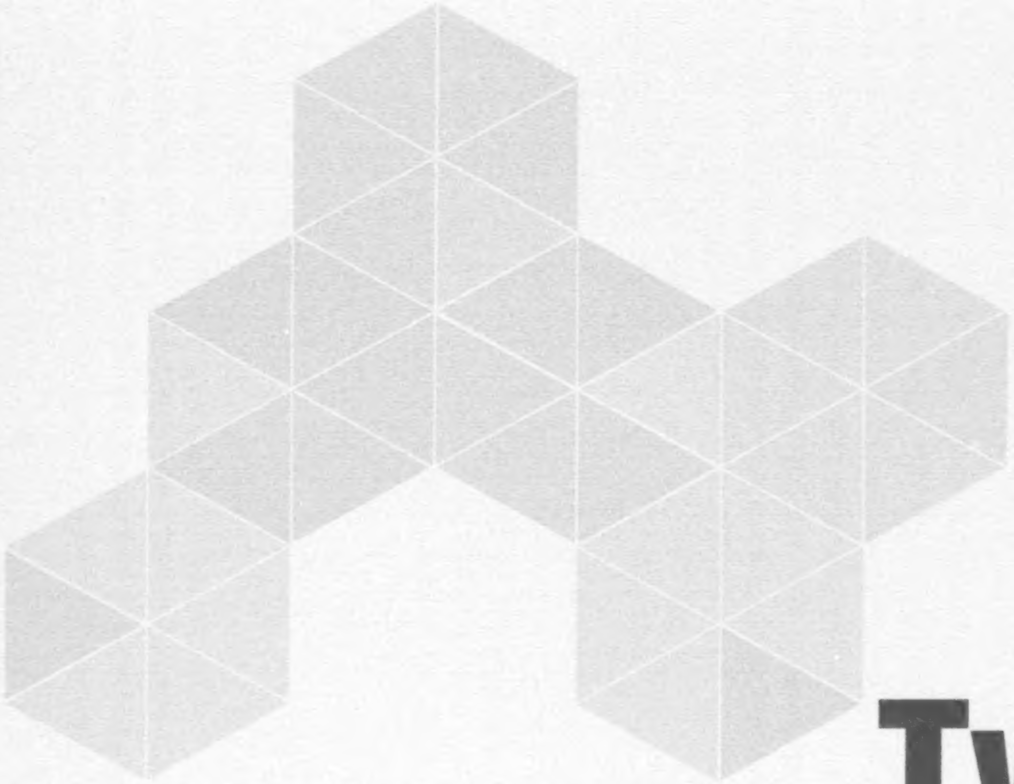
NRPS: CAPITAL BUDGET HIGHLIGHTS

The 2015 capital budget for the Niagara Regional Police Service has a total value of $7,203,250, and is comprised of seven distinct projects. This represents 4.6 per cent of the Region's total 2015 capital budget. As illustrated in the chart below, 100 per cent of the revenues required to fund the 2015 capital budget are derived from the Region's internal sources.

NRPS: PERFORMANCE METRICS

The Police Service Board is required to enter into a protocol with Regional Council pursuant to Section 32(1) of the Adequacy Standards Regulations. The Provincial Adequacy Standards Regulation requires the Police Service Board to prepare, at least once every three years, a business plan that addresses the core business functions of the police service, including how it will provide adequate and effective police services. The Niagara Regional Police Service's 2013-2015 Business Plan includes detailed performance metrics for each Goal and Objective.

Classification	Gross Capital Request $	Funding Source Capital Levy $	Debt $	Reserves $	Development Charges $	Area Municipality $	Federal Gas Tax $	Other External $
Capital Asset Acquisitions	0.1			0.1				
Communications Unit Equipment	4.5		4.5					
IT Equipment Replacement	0.8			0.8				
Network Infrastructure	0.1			0.1				
Open Source Intelligence	0.1			0.1				
Vehicles	1.4			1.4				
Body Worn Video/Cameras	0.3			0.3				
Total	7.2	-	4.5	2.7	-	-	-	-



Twenty15

NIAGARA REGION FINANCIAL STRATEGY

FINANCIAL STRATEGY OVERVIEW

Sound financial management and planning are key elements in the Niagara Region's mandate to provide cost-effective and sustainable programs and services for residents. Financial strategies are developed to achieve the business goals of the organization, and provide Regional Council and staff with high quality information necessary to establish metrics and measures to base sound fiscal decisions.

The Region's financial strategy is based on the following policies and guidelines:

Guidance Affordability Policy: In our annual and multi-year budgeting, the guidance policy sets a financial target to ensure practical and cautious use of taxpayer dollars. The guidance policy is based on the premise that outside of best efforts to reduce budgets and minimize the potential of annual increases, a framework is provided that sets a ceiling for annual budgets - tied directly to economic factors in our community.

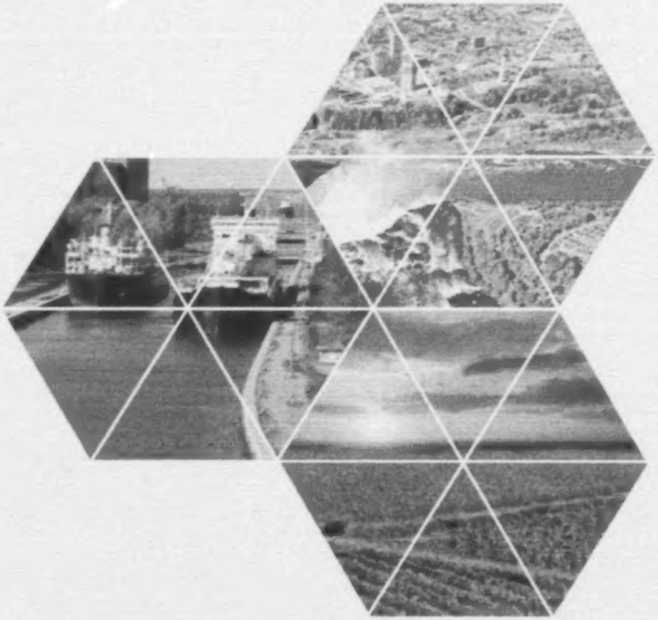
The policy establishes guidance by adding the annual inflation pressures for goods and services (the Niagara Region uses the Bank of Canada's Core Consumer Price Index to estimate), with our forecast assessment growth, in a given year from new properties.

Standard & Poor's (S&P) Rating: S&P's credit rating is fundamental to our long-term strategy planning, in that it determines the ability of the Niagara Region to meet its financial commitments. The Region uses the rating provided by S&P and identified trends to inform its long-term debt strategies.

Capital Program Funding Model: Various forms of financing are used to support our capital plan, including debt financing, dollars from other levels of government, reserves (accumulated from previous planning), the levy (current year taxes), etc. Debt financing is proposed in an extremely conservative manner, with no more than 12 cents of every revenue dollar spent on financing debt from capital projects.

Reserves and Reserve Fund Policy: The use of reserves is an integral part of the budget planning process and an important financial tool in developing short and long-term fiscal policies. Prudent use of reserves helps mitigate fluctuations in taxation and rate requirements and assists in funding capital projects.

Refer to the appendix for a full review of all financial policies followed by the Niagara Region.



FINANCIAL STRATEGY OVERVIEW CONT'D

LONG-TERM DEBT STRATEGY

Fundamental to the long-term financial health of the Niagara Region and Local Area Municipalities (LAMs) is Niagara Region's Standard & Poor's (S&P) rating. In January 2015 S&P undertook a credit rating review and reaffirmed Niagara Region's stable "AA" rating. The rating reflects S&P's opinion that Niagara Region has exceptional liquidity and low debt burden, however they cite the Region's weaker labour market, slow recovery in manufacturing sector and modest population growth, and somewhat constrained financial flexibility (compared with that of some peers) as items that are impacting the rating. As a result of the trends identified by S&P, in the 2015 budget Niagara Region has continued using the debt charge placeholder as a tool to control both debt charge levels and future debt issuance amounts, has stabilized draws on levy reserves, and is funding economic development initiatives.

CAPITAL PROGRAM FUNDING MODEL

The purpose of the capital program funding model is to balance immediate and future needs, affordability and sustainability, while minimizing risk and supporting economic growth in the Niagara region. This model is fundamental to the long-term financial health of Niagara region, supports the S&P's rating, and therefore minimizes the cost of borrowing to the Region and local area municipalities.

The intent of the model is achieved by adhering to the following concepts:

1. Capital projects are budgeted in their entirety to support transparency of total project costing. Where a project could be considered for phasing the design and construction costs can be budgeted in different years.
2. A source of funding is required for each capital project so one Council does not impede a future Council:
3. Ensures the 2015 program is maintained within the affordability envelope
4. Ensures accountability of project funding lies with the approving Council

This model is a conservative approach to managing the Region's capital funding requirements.

To support the 2015 budget, the total authorized long- term debt will rise to $443.2 million in 2015 ($368.4 million by 2024). However, based on planned issuance, the debt balance is forecasted to be $334.2 million by 2024 and the Annual Repayment Limit (ARL) is not expected to go above 12 per cent (related debt charges as a percentage of own source revenue), meaning that no more than 12 cents per every own source revenue dollar will be spent on debt charges (principal and interest). Staff work diligently throughout the year to ensure that available funds are used to reduce the amount of long-term outstanding debt; through capital project close-outs reports and budget reductions. The capital program funding model, as outlined above, has been designed to support a strong and stable S&P rating.

FINANCIAL STRATEGY OVERVIEW CONT'D

LONG-TERM DEBT STRATEGY

	2015 Beginning Balance	2015 Forecasted Issuance *	2015 Principal Repayments **	2015 Interest Payments **	2015 Ending Balance
Levy					
Corporate Services	969,113	2,599,015	(801,805)	(17,531)	2,766,323
Properties Management	22,264,063	24,918,346	(1,340,835)	(1,080,313)	45,841,574
Integrated Community Planning	349,612	-	(142,936)	(12,582)	206,676
Transportation	69,025,138	59,644,030	(10,732,490)	(2,262,174)	117,936,678
Community Services	26,323,302	-	(2,082,154)	(1,279,560)	24,241,148
Public Health	2,567,381	2,476,337	(564,138)	(41,896)	4,479,580
Niagara Regional Police Service	49,734,101	59,256,494	(2,930,932)	(1,627,279)	106,059,663
Niagara Regional Housing	14,151,618	4,912,145	(1,656,356)	(434,929)	17,407,407
Total Levy	185,384,328	153,806,367	(20,251,646)	(6,756,265)	318,939,049
RATE					
Water	11,433,206	-	(266,336)	(578,143)	11,166,870
Wastewater	70,560,072	-	(1,922,244)	(3,360,200)	68,637,827
Waste Management	8,085,897	-	(3,675,077)	(321,594)	4,410,819
Total Rate	90,079,175	-	(5,863,657)	(4,259,938)	84,215,516
Forecasted Long Term Debt Outstanding	275,463,503	153,806,367	(26,115,303)	(11,016,203)	403,154,565
DEBT PER CAPITA					$ 903.93
Total Authorized Unissued Debt					40,025,224
Total Authorized Long Term Debt					443,179,790
Total Authorized Debt per Capita					$ 993.68

**Includes $30 million for Niagara Regional Police Service Long-Term Accomodations Project*

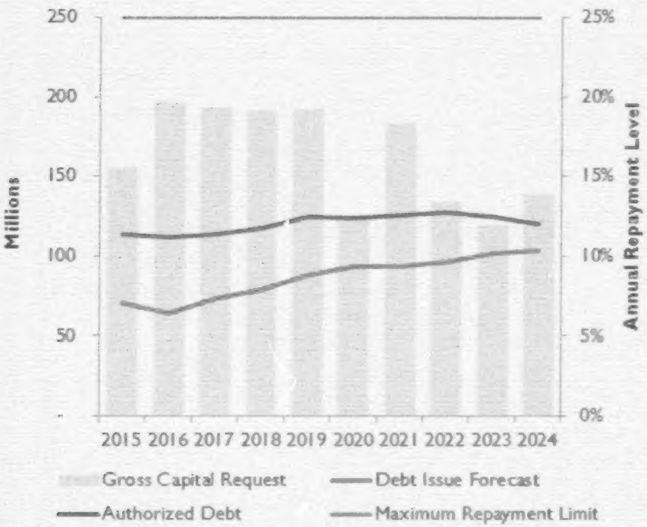
***Includes adjustment for sinking fund principal & interest, photocopier lease and NRH Mortgage*

UNISSUED DEBT

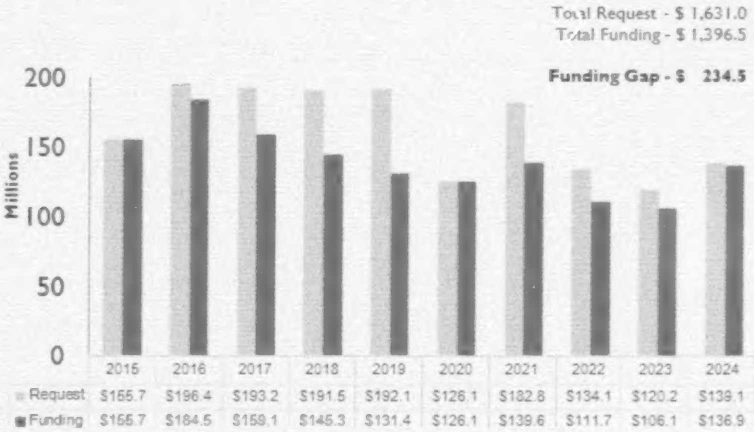
	Niagara Regional Housing	Niagara Regional Police Service	Properties Management	Transportation	IT Solutions	Public Health & EMS	Total
Beginning Total Authorized Unissued Debt	4,912,145	59,256,494	24,918,346	59,644,030	2,599,015	2,476,337	153,806,367
Less: 2015 Forecasted Debt Issuance	4,912,145	59,256,494	24,918,346	59,644,030	2,599,015	2,476,337	153,806,367
Add: Authorized Debt Approved in 2015 Capital Budget	3,841,436	4,500,000	13,725,000	15,778,691	-	2,180,097	40,025,224
Ending Total Unissued Debt	3,841,436	4,500,000	13,725,000	15,778,691	-	2,180,097	40,025,224

FINANCIAL STRATEGY OVERVIEW CONT'D

ANNUAL REPAYMENT LIMIT FORECAST



2015 CAPITAL BUDGET WITH NINE YEAR FORECAST



Total Request - $ 1,631.0
Total Funding - $ 1,396.5

Funding Gap - $ 234.5

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
▨ Request	$155.7	$196.4	$193.2	$191.5	$192.1	$126.1	$182.8	$134.1	$120.2	$139.1
■ Funding	$155.7	$184.5	$159.1	$145.3	$131.4	$126.1	$139.6	$111.7	$106.1	$136.9

FINANCIAL STRATEGY OVERVIEW CONT'D

2015 RESERVES AND RESERVE FUND FORECAST

Description	Balances at December 31 2013	Balances at December 31 2014	Forecasted Net Transfers from/(to) Operating 2015	Capital Budget Reserve Funding 2015	Capital Commitments 2015**	Forecasted Balance at December 31 2015
Department/Program Specific						
Ambulance Communication	1,622,866	1,622,866	(244,109)			1,378,757
NRH Rent Supplements	390,425	366,425	(24,000)			342,425
Police Contingency	486,029	486,029				486,029
Police Services Board Contingency	141,598	305,904				305,904
Smart Growth	2,152,804	2,073,582				2,073,582
Total Department/Program Specific Reserves	4,793,722	4,854,806	(268,109)	-		4,586,697
Employee Benefit						
NRH Employee Future Benefits	792,733	792,733				792,733
Police Accum. Sick Leave	3,828,440	3,873,372	(400,000)			3,473,372
Future Benefit Costs	25,745,108	25,579,507	637,332			26,216,839
Police Future Benefit Cost	2,940,402	3,852,734				3,852,734
Police WSIB	2,669,590	2,669,590				2,669,590
Total Employee Benefit Reserves	35,976,273	36,767,935	237,332	-		37,005,267
Corporate Stabilization						
Investment Income Stabilization	1,162,972	789,671	(304,410)			485,261
Taxpayer Relief	34,727,500	31,031,833	(2,640,509)			28,391,324
Self Insurance	2,403,184	2,308,184	(38,365)			2,269,819
Total Corporate Stabilization Reserves	38,293,656	34,129,688	(2,983,284)	-		31,146,404

2015 RESERVES AND RESERVE FUND FORECAST

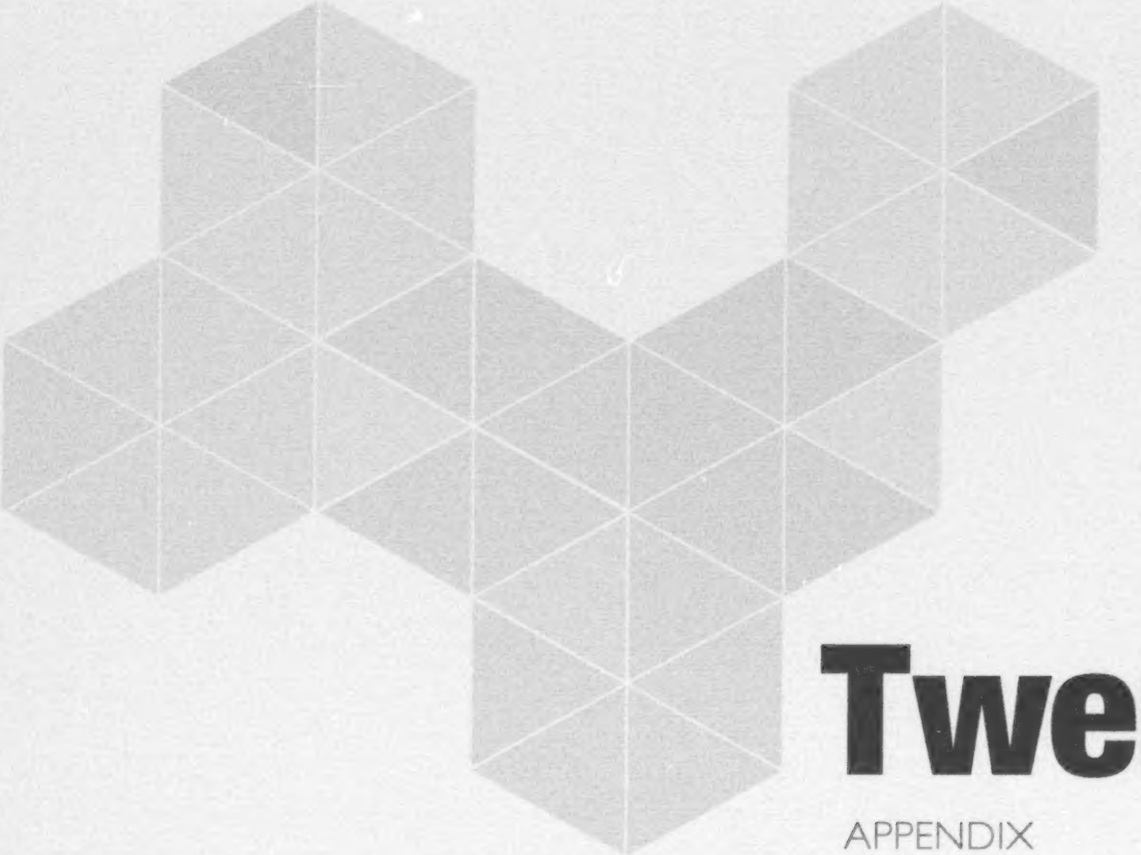
Description	Balances at December 31 2013	Balances at December 31 2014	Forecasted Net Transfers from/(to) Operating 2015	Capital Budget Reserve Funding 2015	Capital Commitments 2015**	Forecasted Balance at December 31 2015
Regional Commitments						
FCM	350,000	0				0
Encumbrances	2,523,042	3,461,270				3,461,270
Hospital Contribution	(13,772,117)	(13,457,391)	325,741			(13,131,650)
Total Regional Commitments Reserves	(10,899,075)	(9,996,121)	325,741	-		(9,670,380)
Rate Supported Operating						-
Wastewater Operating	4,971,555	5,967,435				5,967,435
Water Operating	4,766,998	3,940,739				3,940,739
Total Rate Supported Operating Reserves	9,738,553	9,908,174	-	-		9,908,174
Levy Supported Capital						
POA Facility Renewal	2,665,133	1,258,388	1,150,000		(1,650,000)	758,388
NRPS LTA Financing	912,332	2,059,840	451,574			2,511,414
Police Equipment Replacement	192,591	522,528	1,400,000	(1,400,000)		522,528
Police Capital Levy	1,342,930	2,190,858	1,000,000	(1,303,250)	(150,000)	1,737,608
Police OPTVA Reserve	51,250	46,850				46,850
General Capital Levy*	16,667,264	21,734,290	23,560,203	(23,705,540)	(980,000)	20,608,953
NRH Owned Units	2,248,819	2,867,357	742,901	(677,901)		2,932,357
Niagara Regional Housing	9,448,931	9,448,931				9,448,931
Total Levy Supported Capital Reserves	33,529,250	40,129,043	28,304,678	(27,086,691)	(2,780,000)	38,567,030
Rate Supported Capital						
Wastewater Capital	55,935,324	55,545,038	21,544,089	(30,290,000)	(1,580,000)	45,219,127
Water Capital	74,074,988	71,416,028	19,214,512	(21,800,000)	(500,000)	68,330,540
Waste Management	17,404,401	20,703,084	784,034	(3,180,000)	(1,445,000)	16,862,118
Total Rate Supported Capital Reserves	147,414,713	147,664,150	41,542,635	(55,270,000)	(3,525,000)	130,411,785
Interest on Deferred Revenue Reserve Fund			1,820,094			1,820,094

2015 RESERVES AND RESERVE FUND FORECAST

Description	Balances at December 31 2013	Balances at December 31 2014	Forecasted Net Transfers from/(to) Operating 2015	Capital Budget Reserve Funding 2015	Capital Commitments 2015**	Forecasted Balance at December 31 2015
2015 Deferred Revenues (Development Charges and Gas Tax Reserve Funds)						
Development Charges - General Gov't	603,447	771,078	(198,094)		(37,436)	535,548
Development Charges - Police Services	694,537	1,230,319	413,119			1,643,438
Development Charges - Roads	17,314,896	23,291,123	8,206,451	(5,447,500)	(15,262,843)	10,787,231
Development Charges - Wastewater	16,880,948	22,503,964	3,299,719	(860,000)	(14,182,061)	10,761,622
Development Charges - Water	13,769,137	15,607,519	1,608,639	(3,050,000)	(2,168,154)	11,998,004
Development Charges - Emergency Medical	254,253	387,489	100,254			487,743
Federal Gas Tax	16,584,206	11,121,247	12,489,802	(13,150,000)	(10,242,389)	218,659
Provincial Gas Tax	679,189	1,283,234	(434,686)	(440,000)		408,548
Total Deferred Revenues	66,780,613	76,195,972	25,485,204	(22,947,500)	(41,892,883)	36,840,792
Total Reserves, Reserve Funds, and Deferred Revenues	325,627,705	339,653,649	92,644,197	(105,304,191)	(48,197,883)	280,615,865

** CSD 48-2014 authorized the closure of several reserve and reserve funds to capital levy reserves. 2013 and 2014 figures for General Capital Levy have thus been restated.*

*** Capital Commitments are as per 2014 Q4 report.*



Twenty15

APPENDIX

APPENDIX 1.1

EXPLANATION OF OBJECT OF EXPENDITURE

Personnel Costs - includes all salaries, benefits and personnel related allowances (meals, clothing, training, etc).

Administrative Expenses - includes some allowances (car, mileage, etc.), memberships, training and related expenses and other miscellaneous expenses.

Materials, Supplies and Utilities - includes costs for; chemical, medical and office supplies, small equipment, waste management supplies, and all utilities.

Repairs & Maintenance - includes all costs to repair or maintain equipment, property and vehicles.

Purchased Services and Other Operating Expenses - includes costs for audit, advertising, consulting, insurance, leases, contracted services, Provincial Offenses Act (POA) expenses and other expenses.

Social Assistance - costs include all Ontario Works allowances and benefits program costs.

Financial Expenditures - includes all interest charges, principal debt payments, tax write-offs, and bad debt expense. The debt related charges included in this section are allocated to departments though the chargeback/recovery process.

Capital Equipment and Renovation - costs include all capital expenditures processed through the operating statement.

Niagara Regional Housing (NRH) Provider Subsidy and Supplements - includes all rent supplements and the use of all housing related subsidies.

Transfer to Reserves - includes all transfers of funds in the current year from the operating program to a reserve. At a corporate level the net of the transfers to reserves and the transfers from reserves represents our total contribution to reserves or draw on reserves in the year.

Allocations Between Departments – includes all direct rate-based costs that are allocated to the beneficial recipient by the department providing the service or goods and calculated based on a pre-established rate. The pre-established rate is intended to recover the costs incurred by the service provider (time and material).

Allocations Within Departments – includes all costs for shared services that are allocated between divisions internal to their department.

Allocations to Capital Program – includes all eligible costs recorded and managed in the operating program allocated to the capital program.

Indirect Allocation – includes all costs that are not directly traceable to a specific program or department (i.e. HR, finance, legal, IT, properties, print shop and communications). Indirect costs are common resources shared by several programs and services that require an allocation to determine full cost of the program or service.

Debt Allocation – includes allocations of all debt charges incurred to programs and services based on projects the debt is issued to fund.

APPENDIX 1.2

REVENUES

Taxation – Levy - includes all revenues received from area municipalities including payment-in-lieu and supplemental. It also includes power dams revenue.

Taxation – Rate - includes all funds received to support waste management, water and wastewater operations.

Ontario/Canada Grants - includes all funds received from the provincial and federal governments.

Fees and Services Charges - includes shared services revenue (without shared services agreement), licenses, permits and approvals, and fees and service charges on the User Fee By-Law such as child care fees, health fees, police fees (i.e. accident reports, etc), seniors homes fees (i.e. long-term care accommodations fees), road fees and other miscellaneous fees (i.e. zoning).

Other Revenue - includes shared services revenue (with shared services agreement), investment income, POA revenue, recycling revenue, NRH revenue and other revenue.

Transfers from Reserves - includes all transfers of funds in the current year to the operating program from a reserve. At a corporate level the net of the transfers from reserves and the transfers to reserves represents our total contribution to reserves or draw on reserves in the year.

APPENDIX 1.3

FINANCIAL POLICIES AND GUIDELINES

The Niagara Region follows the following financial policies and guidelines:

Accounts Receivable: All monies owing to Niagara Region will be collected as they become due and deposited as soon as is practical.

Affordability Guidance: Niagara Region will follow the methodology as outlined in this policy to establish budget guidance to support Council's Business Plan.

Investment Policy: The purpose of this policy is to establish procedures and practices designed to maximize the use of funds held in Niagara Region accounts through a program of term investments.

Capital Asset Management: This policy outlines standards and guidelines for the processes of Capital Asset Management. Capital Asset Management can be defined as the activities related to program planning, financing and administration of resources for the acquisition, development or construction of tangible capital assets of the Region. It also includes the integration of operating and capital budgets by identifying future financial resources to be allocated from operating funds to operate and maintain these tangible capital assets. This policy also outlines standards and guidelines for identifying, measuring and recognizing expenditures as tangible capital assets in order to facilitate appropriate financial presentation and disclosure.

Cost Allocation: This policy outlines principles and guidelines for the processes of cost allocation. Cost allocation can be defined as attributing a cost pool to several cost objects (e.g. job, department, cost centre, program or beneficial recipient) using a driver that best measures a causal or beneficial relationship between the cost pool and the cost object.

Developer's Deposits: In order to ensure that the Corporation has adequate security for the completion of certain works, deposits in the form of cash or letters of credit may be requested by the Corporation.

Donations - Charitable C3-D05 Tax Rebates for Charitable Organizations By-Law: Due to the current trend of funding cutbacks and no tax increases, the Region is not always able to provide sufficient funds for worthwhile projects. The Region will become more reliant on donations from individuals, groups, organizations and businesses to carry out projects that would otherwise be deferred until funding becomes available. The Region is able to accept donations and provide "official tax receipt for income tax purposes" as prescribed by Canada Revenue Agency, therefore it is necessary to establish a procedure for handling donations.

Expenses - Reimbursement of: It is corporate policy to reimburse employees of the region for expenses incurred while engaged on authorized Regional business. The Region values continuous learning and self-improvement and strives to promote a culture supportive of these goals. Such expenses must be reasonable in the circumstances and must be reflective of the Regional Ethics Policy.

Financing Lease Policies and Goals: Regional Council has the authority under subsection 210.1 of the Municipal Act to enter into an agreement for the provision of municipal capital facilities. Agreements under this section may include financing leases. As Regional Council recognizes that there are inherent risks associated with financing leases, compliance with this policy will ensure that the necessary due diligence is undertaken by staff in the review of all financing lease agreements and that Regional Council is provided full disclosure on the impacts of these leases prior to entering into any agreement for the provision of municipal capital facilities.

Petty Cash: To establish a procedure for all Regional Petty Cash funds including Senior Citizens Trust Petty Cash funds.

Property Valuation Studies - Participation With Area Municipalities: The Regional Municipality of Niagara wishes to partner with Area Municipalities in the conduct of Property Valuation Studies, where a successful defence of a Property Assessment Appeal will result in additional tax benefit to the Region.

Purchasing Card Purchasing By-Law: To comply with the purchasing By-Law and ensure the most cost-effective methods are used to purchase goods and services for all Regional operations and for the disposition of goods according to Regional needs.

Release of Trust Funds of Deceased Residents: To ensure that Regional staff are aware of the documents and information required prior to the release of funds held in trust for a deceased resident of one of the Homes for the Aged operated by the Region. These requirements differ depending on whether the deceased left a Will or not.

Securities, Care and Custody of: When Regional Council has approved a form of security pursuant to an agreement with a third party such security will be governed by the procedures outlined herein:

- to ensure forms of security are in the proper format and content is acceptable
- to ensure the physical security of all forms of security
- to ensure the forms of security are kept current

Surplus-Deficit Policy: Niagara Region will address/allocate annual surplus/deficits within the guidelines established in this policy (focusing on allocating surplus to areas that have been identified at risk of being underfunded).

Tax Rebates for Charitable Organizations: The purpose of this policy is to provide tax rebates:

- to eligible charities occupying commercial or industrial property that were previously exempt from paying the Business Occupancy Tax (BOT)
- to organizations occupying residential property as defined under section 325 (1) of the Municipal Act, 2001
- to organizations as defined under section 6 of the Assessment Act

This policy recognizes that the Fair Municipal Finance Act, 1997 may have impacts on the amount of property taxes such organizations are required to pay, either directly or indirectly, and provides relief in the form of tax rebates subject to certain conditions as set out in the policy.

Variance Analysis and Forecasting: Due to successive years of expenditure restraint it has been necessary for all departments to perform more comprehensive year-to-date variance analysis and forecasting of expected year end operating results. Variance analysis and forecasting measures ensure that significant departures from plans are detected early enough to take corrective action to avoid a deficit by year end.

This policy summarizes desirable practices, many of which are already in effect, in order to provide guidance for variance analysis and forecasting and to clarify reporting procedures.

Operating Budget Adjustment Policy: This policy outlines standards and guidelines for the processes of Operating Budget Adjustments. The operating budget can be defined as activities related to the current year activities of programs and services. This also includes any changes associated with the Full Time Equivalents (FTE).

Reserve and Reserve Funds Policy: The purpose of this policy is to formalize guidelines in order to effectively manage Niagara Region reserve and reserve funds, ensuring adequate reserves are held for both planned and unexpected future expenditures, which will promote affordability and sustainability.

Prepaid Expenditure: The purpose of this policy is to establish criteria and procedures on reflecting costs as prepaid expenditures and when to bring costs into current expense.

APPENDIX 1.4 – CAPITAL BUDGET SUMMARY DETAILS

CAPITAL BUDGET DETAILS

Department	Gross Capital Request $	Description
Community Services		
LTC Homes - Bed Replacement	100,000	Annual allowance for the bed replacement program.
LTC Homes - Capital Improvements/Replacements	593,000	Annual funding for capital improvement projects at the eight long-term care homes across the Region.
LTC Homes - Machinery/Equipment	407,750	Annual funding for purchases / upgrades to machinery and equipment.
LTC Homes - Resident Care Equipment	455,000	Replacement of resident lifts in line with the equipment life cycle. Replacement of nurse call systems in line with the equipment life cycle.
LTC Homes - Roof Replacement	350,000	Annual funding for multi-site roof replacements.
Corporate Services		
Emergency Capital Levy Program	500,000	Per section 5.5 of Capital Asset Management policy.
Niagara District Airport	500,000	To fund project overruns.
Printer Replacement	86,118	Replacement of a black and white copy machine in the Region's print shop in order to maintain the current operation level. The existing printer is at the end of its expected useful life. The printer is from 2006, with a 5-6 year expected service life.
IT Asset Replacement	1,755,000	Replacement of IT assets reaching the end of the anticipated useful life.
IT Systems Replacement - Enterprise Content Management	500,000	Enterprise Content Management (ECM) - replace existing ECM tools deployed in Legal Services and for Contract Management with a broader corporate framework in-place for future expansion.
Court Facilities	10,000,000	$10 million has been earmarked to support the construction of two new Provincial Offences Act (POA) Program facilities in Welland and St. Catharines. The new facilities will replace current operations in Niagara Falls, St. Catharines, Welland and Fort Erie, and support the growing demand for provincial court services in Niagara.
68 Church St. – HVAC roof top unit	150,000	Replacement of the old HVAC roof top unit that is capable of heating or cooling multiple zones at the same time. The existing unit has a history of problems and requires continuous repair.
NRPS Headquarters (110 James St.) - Building Renovations	350,000	To begin designing for the renovation of the NRPS Headquarters for future use. Possible tenants include the relocation of Regional Staff.
St. Catharines Day Care - Roof Replacement	94,000	Replacement of the roof on the St. Catharines Day Care at 179 Carlton St. The roof is at the end of its useful life.
Welland EMS (580 King St.) - Parking Lot Replacement	64,840	The existing parking lot is approximately 20 years old and has reached the end of its useful life. The replacement will allow for proper drainage and avoid potential damage to vehicles due to cracked and crumbling concrete.
Niagara Falls EMS (5685 North St.) - Parking Lot and Retaining Wall	40,736	Replacement of the parking lot to improve drainage and avoid damage to vehicles. Reinforcing the existing retaining wall to avoid erosion. Improving existing railing and installing additional to address safety concerns. Replacement of concrete aprons on overhead doors to address condition concerns.

APPENDIX 1.4 – CONT'D

Department	Gross Capital Request $	Description
Niagara Falls EMS (5685 North St.) - Roof Replacement	122,500	Replacement of roof that is at the end of its useful life.
Niagara Falls Public Health Facility	3,500,000	$3.5 million has been allocated to construct a larger Public Health facility in Niagara Falls, in compliance with ministry service standards.
Regional Headquarters - Back-up Power (Emergency Measures)	900,000	Replacing existing back-up generator to support Cambell West required services and provide back-up power to support the needs of the future data centre.
Regional Headquarters - HVAC Upgrades	896,197	Up-grades to the heating, ventilation, and air conditioning (HVAC) delivery system, including new building automation system, to better control indoor air quality.
Regional Headquarters - Parking Lot Lighting Upgrades	100,500	Conversion of the exterior parking lot lighting at Headquarters and the Environmental Center to more energy efficient lights.
Regional Headquarters - Emergency Notification System	300,000	Regional Headquarters lacks a Mass Notification System. In case of an emergency, there is currently no way to identify when there is a risk or threat, and what to do in that situation. There are a number of systems on the market to connect people and technology to help communicate a plan. These funds would be used for such a system.
Public Works Service Centre - Parking Lot Replacement	355,250	Replacement of the existing parking lot that has reached the end of its useful life. The replacement will allow for proper drainage and avoid potential damage to vehicles due to cracked and crumbling concrete.
EMS - Generators	298,200	Installation of generators for back-up power at EMS bases, as part of the EMS long term accommodation plan. The generators will power overhead doors, communications equipment, washrooms and medical storage refrigeration.
Long-term Care Home Redevelopment	225,000	Initiate a study to review the opportunities to replace or redevelopment of existing long term care facilities, in conjunction with the Region's Alternative Service Delivery review
Public Health		
Ambulance and Equipment Replacement	1,970,097	Annual purchase and replacement of ambulances and equipment. NEMS purchases between 8-9 ambulances each year as part of its annual replacement program.
Fire Defibrillator Replacement	152,640	Replacement of defibrillators for fire services across Niagara (60 units total anticipated). Cost are for new units as well as the costs of technology and installation of these units.
Medical/Disposable Medical Inventory Automated System	210,000	6 machines which would track real inventory and dispense drugs and other medical supplies from the EMS hubs. Would increase the effectiveness of supply and demand.

APPENDIX 1.4 – CONT'D

Department	Gross Capital Request $	Description
Public Works - Transportation		
Fleet - Inter-municipal Transit - Capital Acquisitions	1,340,000	To purchase five (26') transit buses and ancillary equipment, infrastructure upgrades for the stops and shelters for new or existing routes.
Fleet - Niagara Specialized Transit - Vehicle Replacement	600,000	To replace six NST buses that have reached the end of their lifecycle.
Fleet - Vehicle & Equipment - Replacement Program	3,300,000	To replace vehicles and equipment that have reached the end of their life cycle.
Annual - Development Related Projects	1,000,000	To partner / coordinate road work with developer driven road improvements.
Annual - Engineering for Future Projects	200,000	To permit engineering for future regional projects and/or projects with local area municipalities and site specific development driven projects.
Annual - Guide Rail Improvement Program	350,000	To replace damaged, deficient or substandard guiderails and to install new guiderails.
Annual - Illumination Installation	300,000	To replace deficient or substandard illumination systems, and to install new illumination systems.
Annual - Major Culvert Replacement Program	150,000	To replace damaged, deficient or substandard culverts, and to install new culverts.
Annual - Miscellaneous Road Properties	200,000	To acquire/address property needs that are not part of a capital project with approved funding. To acquire property to establish proper road corridor widths and sightline triangles.
Annual - Railway Crossing Improvement	300,000	To improve ride quality on roadway at railway level crossing around the Region.
Annual - Sign Processing Equipment	30,000	To replace machinery and equipment required to manufacture regulatory, advisory and custom roadway signs.
Annual - Storm Sewer Program	300,000	To replace damaged infrastructure and secure adequate inlet and outlet protection for storm sewer infrastructure located within road allowances.
Annual - Traffic Signal Program	2,000,000	To install new signals and traffic warning beacons at warranted intersections and to update existing signals.
Annual - Transportation Master Plans	600,000	To take a comprehensive look into the future of all modes of transportation and set the planning framework for future improvements.
Cpcty. Imprv. - Casablanca Blvd Widening - Livingston to QEW	500,000	To continue detailed design required for widening of road from 2 lanes to 4/5 lanes.
Cpcty. Imprv. - Glendale Ave Interchange at QEW	1,000,000	To conduct a study looking at safe and convenient crossing within the NOTL Glendale community that is currently serviced by one overpass.
Cpcty. Imprv. - Niagara Stone Rd Widening - East/West Line to Concession 6	750,000	To widen road, including an additional centre turn lane, the installation of sidewalks and illumination improvements.
Cpcty. Imprv. - Reconstruction RR 57 (Thorold Stone Rd) - Ext East of Stanley Ave	1,800,000	To continue detailed design, including environmental consulting and legal, for the extension of Thorold Stone Road to the Gale Centre.
Cpcty. Imprv. - Rice Road - Old Hwy 20 to Port Robinson	500,000	To commence design assignment to allow development (commercial, institutional, and residential) in the area which requires new intersection and road improvements to support growth.
Int. Imprv. - King St at Greenlane and Durham (Roundabout)	3,100,000	To implement the construction of a roundabout to address geometric, sight line, and traffic flow improvements at this intersection due to the skewed angles of the intersection roadways.

APPENDIX 1.4 – CONT'D

Department	Gross Capital Request $	Description
Int. Imprv. - Lundy's Lane at Garner	600,000	To implement traffic signal and turn lanes since a traffic signal is warranted. Additional funding is required to proceed with construction based on latest estimates.
Int. Imprv. - Regional Road 20 (Phase 1) - South Grimsby Rd 6 to Wade Rd	650,000	To implement geometric and sight line improvements at the intersections as recommended by the soon to be completed EA Study Report. This project includes the construction of a roundabout at Grimsby Road 6, reconstructing the roadway, and intersection improvements at Wade Road.
Int. Imprv. - RR20 Lundy's Lane Highland Ave to Main	350,000	To fund utility relocation charges and relocation of business sign.
Int. Imprv. - St. Paul St West at Vansickle Road and First Street Louth	1,500,000	To install a new traffic signal, left turn lanes and improvements to the north approach of the intersection
Rds Equip Prgm - Equipment Replacement Upgrades	100,000	To make capital upgrades/renewals to the Road Weather Information System (RWIS), brine making equipment, and new equipment purchases or upgrades.
Rds Fac Prgm - Thorold Yard Drive Shed	650,000	To acquire a re-engineered three-sided steel drive shed to house traffic and specialized aerial equipment (forestry).
Rds Rehab - Dick's Creek Crossing Culvert Replacement - RR89	750,000	To replace the existing culvert under RR89 (Glendale Ave). Existing culvert is in poor condition and a safety concern due to risk of a partial failure or collapse.
Rds Rehab - Lakeshore Rd. Reconstruction (Phase 3) - Lake St. to Geneva St. & Bradmon Dr. to O'Mara	1,000,000	To implement final construction phase (3 of 3) recommended in the Environmental Study Report filed in 2007. Phase 1 construction was completed in 2013 and Phase 2 will proceed to construction in 2015. The 2015 funding is to proceed with property acquisitions and utility relocations for Phase 3.
Rds Rehab - Lakeshore Rd. Rehabilitation - Townline Rd. to Four Mile Creek Rd.	400,000	To commence detailed design for the reconstruction of the road to address pavement condition and waterfront trail as recommended in the EA study report which will be filed in Q4 of 2014.
Rds Rehab - Mountain Rd Reconstruction - Hill Side to King St.	5,200,000	This project involves the reconstruction of Mountain Road to an urban cross-section to address poor pavement condition and municipal infrastructure replacements (W/M, Storm Sewer, Sanitary, & Sidewalks). Prior approved funding is to complete the detailed design, property acquisition, & utility relocation.
Rds Rehab - Pelham Rd. Reconstruction (Phase 3) - Wessell Drive to Centre	500,000	This project involves the reconstruction of the road to address drainage, safety and pavement deficiencies along RR69. 2015 funding is to complete the necessary EA process and detailed design.
Rds Rehab - Riverside Dr. Reconstruction - Prince Charles Dr. to Lincoln St.	250,000	This project involves the reconstruction in order to address poor road condition, slope and drainage issues. This section of road was identified in 2009 Transportation Services Sustainability Review (TSSR) as a candidate road for download to the local area municipality (City of Welland). The 2009 TSSR, approved by Regional Council, recommended the policies associated with future uploads and downloads of Regional roads. As per the approved policy under the TSSR, the road needs to be improved prior to downloading. 2015 funding is intended for engineering work to scope out project and aid in downloading negotiations.

APPENDIX 1.4 – CONT'D

Department	Gross Capital Request $	Description
Rds Rehab - Roads Resurfacing Program	7,000,000	To prevent further pavement deterioration and sustain existing pavements. Deferral would have an impact on pavement condition rating and would result in increased maintenance and capital costs. To maintain the overall / current pavement condition rating for entire roadway network
Rds Rehab - RR 14 Canboro Rd Embankment Stabilization - Warner	500,000	To address slope failure issues and pavement condition. We have been experiencing continual movement of the slope and the pavement is deteriorating. This project also involves the rehabilitation and minor widening of a bridge structure. Detailed Design assignment is ongoing and additional funding in 2015 is based on more accurate estimates in order to proceed with construction.
Rds Rehab - RR1 Dominion Rd Reconstruction - Albert to Lakeshore Rd	325,000	To reconstruct the road to address drainage, safety and pavement deficiencies along RR1. 2015 funding is to complete the detailed design.
Rds Rehab - RR1 Dominion Rd Reconstruction - Burleigh Rd to Windmill Pt Rd	225,000	To reconstruct the road to address drainage and pavement deficiencies along RR1. 2015 funding is to complete detailed design.
Rds Rehab - RR42 Ontario St Reconstruction - Lakeshore to Linwell	500,000	This project involves the reconstruction of Regional Road 42 to an urban cross-section to address poor pavement condition and municipal infrastructure replacements (W/M, Storm Sewers, Sanitary, & Sidewalks). 2015 funding is to complete the EA Study and Detailed Design.
Rds Rehab - RR45 Creek Rd Reconstruction - RR4 to RR63	375,000	To address drainage, pavement deficiencies, road safety, and bridge replacement/widening along RR45. 2015 funding is for EA Study.
Rds Rehab - RR81 King St Reconstruction - Durham Rd to Lincoln Ave	375,000	To reconstruct the road to address drainage, safety and pavement deficiencies along RR81. This project also involves watermain replacement for the Town of Lincoln. 2015 funding is to complete the necessary EA process and detailed design.
Rds Rehab - RR81 St Paul St Reconstruction - Ninth St to Seventh St	1,800,000	To complete project including the re-vegetation / landscaping plan as per the recommended EA Study.
Struc Rehab - Central Ave Bridge - Bridge Replacement	10,900,000	To proceed with tender call for the complete replacement of Central Ave Bridge. Prior approved funding allocated to carry on with the detailed design and property acquisitions.
Struc Rehab - East Main St. Bridge (West of RR84) - Bridge Rehab	300,000	To commence engineering for the rehabilitation to address the poor condition of the deck and substructure.
Struc Rehab - Niagara St. Bridge - Bridge Replacement	300,000	To proceed with the detailed design of the complete replacement of the bridge to address the poor condition of the deck and substructure.
Struc Rehab - OPG Bridges - Replacement of Beaver Dams Bridge and Power Canal Bridge over Gibson Lake	5,500,000	To proceed with the replacement of the bridges. OPG and the Region have finalized agreements regarding bridge divestiture.
Struc Rehab - St. Paul W CNR Bridge - Bridge Replacement	500,000	To commence the EA study and engineering for the complete replacement of the bridge, which is in poor condition and has a load restriction. The EA study will also aid in the Region's negotiations with CN Rail in order to determine appropriate cost sharing and future maintenance responsibilities.

APPENDIX 1.4 – CONT'D

Department	Gross Capital Request $	Description
Public Works - Water		
Misc Prgm - Grimsby System Storage	1,500,000	Additional storage recommended by the Master Servicing Plan. Environmental Assessment to confirm location for in-ground storage above escarpment. Existing storage can only supply for a maximum of 30 minutes. 2015 budget for the design of the preferred alternative for the increase in potable water supply to the town of Grimsby. Construction targeted for 2018.
Misc Prgm - Port Colborne Storage	1,000,000	Provide additional storage for Port Colborne (6.0 ML Elevated Tank).
Misc Prgm - Stevensville Reservoir and Pump Station Expansion	1,000,000	Additional storage requirement confirmed by Master Servicing Plan (2011) due to security of supply and operational issues. Additional property required. Increase firm capacity of Stevensville Pump Station. Increase the storage of the Stevensville Reservoir (10ML). Construction timing estimated for 2017.
Misc Prgm - Valve and Billing Meter Replacement DeCew WTP System	150,000	Replacement and installation of DeCew WTP valves and billing meters. The meters and associated valves are required to measure treated water being supplied to the distribution system.
Misc Prgm - Water & Wastewater Training Centre	250,000	A Water and Wastewater (W/WW) Training Center to support Regional and Local Area Municipal staff in on-going training programs. This facility will allow for hands-on training for confined space, elevated work environments as well as training in a live WWTP facility with access to a working laboratory.
WM Prgm - Elm Street Watermain	2,500,000	Installation of new feeder watermain from Fielden Ave Reservoir to the New Port Colborne Elevated Water Tower on Barrack Rd. Design has been completed.
WM Prgm - Welland Watermain East and West	6,000,000	Replace aging watermain crossing recreational water way. To replace twin 400mm cast iron watermains built in 1942. Easterly siphon portal area has had a number of soil subsidence events that jeopardize the mains. Construct new valves and chambers and move away from joint use chambers (Bell – Westerly portal).
WTP Upgrade Prgm - DeCew WTP Spillway Reconstruction	250,000	Rehabilitation and replacement of the wooden spillway structure located on Twelve Mile Creek, upstream of DeCew Falls WTP. Replacement required for timber supports, wood decking and repairs to concrete surfaces. Construction is targeted for 2016.
WTP Upgrade Prgm - DeCew WTP Waste Optimization	350,000	This project is to connect the wastewater sewer forcemain from DeCew WTP down DeCew Rd. to the wastewater station at Beaverdams Road 2.2km including a bridge crossing. Construction is targeted for 2016.
WTP Upgrade Prgm - Grimsby WTP Low Lift Upgrade	1,000,000	Numerous valves are in poor condition and are failing. Parts to keep the valves in service are difficult to find (obsolete). Mud valves are causing problems in the flocculation process area, Stop logs leak: 2 in the flocculated water channel and 3 in the settled water channel. Replace sealed plate in direct filter channel.
WTP Upgrade Prgm - Niagara Falls WTP Upgrade	250,000	Improvements/optimization of the dechlorination process, process waste system. Also replace filter effluent valves, sludge pumps, roll-up door in wash pump room and crane in wash water pump room. Construction targeted for 2016.

APPENDIX 1.4 – CONT'D

Department	Gross Capital Request $	Description
WTP Upgrade Prgm - Port Colborne WTP Upgrade	6,000,000	Port Colborne WTP upgrades to process waste; MCC, filter and Polymer system upgrades. Upgrades to the High Lift pumps. Ongoing MCC problems; process waste needs new system for polymer feed. Issues with piping from drain chamber, flocculation settling to waste chamber.
Misc Prgm - Elevated Tank Painting	400,000	A sustainability program for the painting of water storage facilities reduces the risk of failure from corrosion. 2015 funds are allocated for Design consultation and tender preparation for the painting of both Central Elevated Tank (2016) and Pelham Elevated Tank (2017).
Misc Prgm - Chemical System Upgrades	150,000	Upgrade program for chemical systems at Water Treatment Plants and outstations. These include replacing metering, piping and storage to support coagulation and disinfection. 2015 Upgrades are required at the St. David's Chemical feed system as the existing pump is aged and the feed system is not reliable.
Misc Prgm - Master Meter Replacements	500,000	Replacement and Installation of DeCew, Welland and Niagara Falls WTP billing meters and associated valves. This is required because the equipment has reached the end of their service life. Design and construct required for new development at Merritt Meadows (2015).
Misc Prgm - Pressure Booster and Rechlorination Station	50,000	2015 Allocation for the design of Kent Ave. Booster Pumping station electrical upgrades include new Electrical Substation (including Transformer and Switch Gear), MCCs, Electrical Panel and associated wiring.
Misc Prgm - Security Improvement	100,000	Niagara Region Water facilities require improvement to meet generally accepted physical protection practices. These projects will be improving on perimeter security for aging infrastructure such as perimeter doors, overhead doors, fencing, intrusion detection and video management systems to assist water & wastewater staff with day to day operation and maintenance activities.
Misc Prgm - Valve Replacement	550,000	Required for valve replacements and valve chamber rehabilitation. Construction program initiated Fall 2014. Expected construction completion fall 2016.
WM Prgm - Watermain Evaluation and Replacement	100,000	Watermain replacement program based on age and condition. Design in 2015; Construction in 2016 will be allocated to watermain replacements in Port Colborne at Highland - Pine.
WTP Upgrade Prgm - Roof Replacements at Water Facilities	2,750,000	2015 allocation to complete new roof over filters and floc tank roof improvements at Niagara Falls WTP. Top up required from 2014 allocation ($2.5M) due to refined construction estimates.
Public Works - Waste Management		
Caistor Road - Capping Works	75,000	Enhancement to the NE corner of the landfill including ditch realignment to eliminate the potential for off-site migration of leachate.
Centre Street - Leash Free Dog Park - Trails	30,000	The existing budget for the Centre Street Landfill did not include budget for a trail network within the leash free dog park.
Humberstone - Litter Fencing Replacement	75,000	Replacement is needed based on annual inspections of the fencing.

APPENDIX 1.4 – CONT'D

Department	Gross Capital Request $	Description
Humberstone - Site Improvements and Enhancements	220,000	Progressive capping of the landfill is an Ministry of Environment and Climate Change (MOECC) requirement as per our Environmental Compliance Approval (ECA). The capping works have been staged in subsequent years based on landfilling activities and additional phases of the LGCCS. In addition, the retention of a consultant may be required to prepare Environmental Protection Act (EPA) and Ontario Water Resources Act (OWRA) approvals for the MOECC.
Maintenance Management System (MMS)	500,000	Maintenance Management System (MMS) to be implemented at three open and ten closed Regional landfill sites and at the recycling facility. Following the needs assessment which is to be initiated in Q4 2014/Q1 2015, RFP may be issued and possible pilot testing of a MMS in 2015. Full scale implementation in 2016/2017 at all sites. If it is possible to utilize an existing Regional MMS application, the full amount in 2015 may not be necessary depending on license costs and customization requirements.
Mountain Road - Scale House/Storage Building	25,000	Condition assessment of scale house and storage building and improvements in order to determine if additional investment is warranted.
Recycling Centre - Facility Improvements	1,600,000	Multiple projects are included: several of the expenditures are needed in order to replace aging equipment and/or equipment coming off-lease to ensure that operations at the Recycling Centre run smoothly without interruption; installation of a new drum feeder; and work is required on the starlight building in order to improve and rehabilitate the existing structure and provide for desperately needed storage at the Recycling Centre.
Annual - Misc Enhancement and Replacement	150,000	Remediation of leachate seeps at sites as needed, annual program to rehabilitate pumps that malfunction and may need to be replaced at any of the nine leachate pumping stations, install and remove monitoring wells at the active and closed landfills as per recommendations of the annual monitoring programs and other facility enhancements.
Annual - Property Acquisition	200,000	Funds to acquire properties adjacent to the two active and twelve closed landfill sites to ensure adequate buffer.
NR-12 - Litter Fencing Replacement	30,000	Replacement is needed based on annual inspections of the fencing.
Quarry Road - Stream C Remediation	50,000	Pursuant to our ECA, a management plan is required to identify how to remediate contaminated water and sediment by June 30, 2015.
Glenridge - Landfill Gas Collection & Flaring System (LGCFS) Decommissioning	50,000	Niagara Region is currently in the middle of a MOECC approved staged shutdown of the LGCFS. Should the shutdown prove successful then the LGCFS will need to be decommissioned.
Glenridge - Leachate Collection System (LCS) Upgrades	100,000	Improvements to the existing LCS to ensure that it is functioning properly.
Line 5 - Monitoring Well Replacement	75,000	Decommissioning and replacement of wells that are used in the monitoring program.

APPENDIX 1.4 – CONT'D

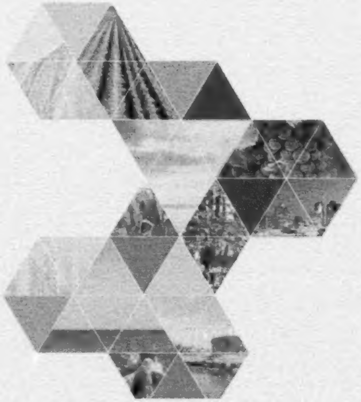
Department	Gross Capital Request $	Description
Public Works - Wastewater		
Misc Prgm - Laboratory Upgrades	150,000	Laboratory upgrades for the Anger Ave. WWTP including the reconfiguration of the laboratory layout to current standards and replacement of fume hood and air handling equipment.
Misc Prgm - Water & Wastewater Training Centre	250,000	A Water and Wastewater (W/WW) Training Center to support Regional and Local Area Municipal staff in on-going training programs. This facility will allow for hands-on training for confined space, elevated work environments as well as training in a live WWTP facility with access to a working laboratory.
Sewer & Forcemain Prgm - Disher Street Elevated Sewer Crossing	150,000	Design phase for the renewal of a section of the Port Weller sanitary trunk sewer. A section of elevated trunk sewer is severely corroded to the point that its structural integrity is compromised. Construction is targeted for 2016.
Sewer & Forcemain Prgm - Stamford Interceptor Renewal - Phase 1	1,350,000	Renewal of 2,250 meters of trunk sanitary sewer ranging in diameter from 1050 to 1200 mm that has significant structural damage due to Hydrogen Sulphide corrosion. Preliminary condition assessment indicates that an imminent repair will be needed in 2015.
WWTP Upgrade Prgm - Garner Road Access & Lagoon Improvements	200,000	Design phase for the reconstruction of the road network and lagoon cells. The roads, which been in service since 1986, have failed from heavy tanker and equipment usage. Furthermore, a number of lagoon cells have embankment walls which are showing signs of impending failure. In a several instances the embankment walls form part of the road shoulders.
WWTP Upgrade Prgm - Niagara Falls WWTP Primary Tanks Upgrade	150,000	Operational limitations continue to occur in the secondary treatment process train (aeration). Currently 24 tank valves need to be manually operated. All valves need to have automated actuators installed along with the replacement of valves (installed in 1964). Construction targeted for 2016.
WWTP Upgrade Prgm - Niagara Falls WWTP Sodium Hypochlorite Tank Replacement	350,000	Replacement of four (4) sodium hypochlorite tanks each with a rated capacity of 15,000 liters including the replacement of associated piping, valves and connectors.
WWTP Upgrade Prgm - Niagara Falls WWTP Upgrade	300,000	Niagara Falls WWTP Secondary Treatment process train has continuing operational concerns. This impacts the plants ability, at times, to meet current compliance regulations. Furthermore, more stringent pending "Federal Wastewater System Effluent Regulations" (WSER) for Toxicity/Nitrification requirements will need to be met. Project will cover the study and predesign of the most suitable technology to implement to improve the WWTP effluent quality. Design of works targeted for 2016. Construction Phase I 2017 (RBC Replacement) and Phase II 2022 (Nitrification).
WWTP Upgrade Prgm - Port Colborne WWTP Biosolids Management Improvement Study	150,000	The Port Colborne WWTP digesters have ongoing performance issues. A study will be undertaken to investigate alternative ways of dealing with plant biosolids. Timing of design and construction is contingent upon outcome of the study.

APPENDIX 1.4 – CONT'D

Department	Gross Capital Request $	Description
WWTP Upgrade Prgm - Port Colborne WWTP Electrical Protection Blowers	300,000	The Port Colborne WWTP aeration blowers are susceptible to damage from power outages. Electrical protection (surge protection) is needed to avoid continued interruptions / damage to the aeration system and equipment.
WWTP Upgrade Prgm - Port Dalhousie WWTP Laneway, Parking Lot and Septage Receiving Improvements	500,000	Reconstruction of plant roads and laneways that have reached the end of their service life with additional improvements to turning radius for long wheel base tanker trunks (hauling sludge and winery waste) and parking area. Relocation of existing septage receiving station is needed for public safety and to improve tanker truck access.
WWTP Upgrade Prgm - Port Weller WWTP Switch Gear Replacement	250,000	The electrical switch gear system at the Port Weller WWTP is original equipment and has been in use since 1972. The system and associated components have reached the end of their service life. This project is the design phase for replacing the electrical switch gear system at the plant. Replacement targeted for 2017.
WWTP Upgrade Prgm - Welland WWTP Upgrades	18,000,000	The Welland WWTP requires major upgrades to numerous systems due to age, performance limitation, optimization needs, and regulatory compliance. The design work for this project will be completed in Q4-2014 and the contract for construction will be tendered in 2015 for the system upgrades at the plant.
Misc Prgm - Gas Train Upgrade	350,000	The Region wide gas train upgrade program supports the biogas related infrastructure. In 2015 the program will be replacing the boiler cushion tanks and associated components at the Port Weller and Port Dalhousie WWTP.
Misc Prgm - Grit Upgrade	250,000	The Region Wide Grit Upgrade Program supports the rehabilitation/replacement of grit systems at Wastewater Treatment Plants. In 2015 the program will retrofit the "Regular Duty" grit air lift pumping system at the Baker Road WWTP.
Misc Prgm - Master Meter Replacement	550,000	Replacement of wastewater billing meters that have reached the end of their service life. Meters to be replaced are located in Port Weller WWTP and Baker Road WWTP systems. A new meter will be installed for the Merritt Meadows (new development – cost will be recovered through development).
Misc Prgm - Roof Replacement	250,000	Ongoing sustainability program to rehabilitate/replace/repair plant and outstation roofs that have been identified through the WWW Facility Roof Condition Assessment Work which identifies a roster of projects. In 2015 the program will address Niagara Falls and Grimsby WWTP systems.
Misc Prgm - Wastewater Security Improvement	150,000	Niagara Region wastewater facilities require improvements to meet generally accepted physical protection practices outlined in its Security Master Plan. These projects will be improving on perimeter security for aging infrastructure such as perimeter doors, overhead doors, fencing, intrusion detection and video management systems to assist water & wastewater staff with security of day to day operation and maintenance activities and protection of Public Health & Safety.

APPENDIX 1.4 – CONT'D

Department	Gross Capital Request $	Description
PS Improvement Program - Design & Construction	6,000,000	The Pump Station Improvement Program supports the ongoing sustainability and capacity needs of the Regions 123 pumping stations. The program covers structural, mechanical, controls/instrumentation and electrical systems. Also included are capacity increases when required to accommodate growth per the Region's 2011 MSP (growth projections to 2031). The 2015 allocation primarily targets the Southside High Lift Sewage Pump Station Upgrade in Niagara Falls (construction) and the East Side Sewage Pump Station Upgrade in Port Colborne (design)
WWTP Upgrade Prgm - WWTP Digester & Sludge Management	1,500,000	The WWTP "Digester & Sludge Management Program" is an ongoing sustainability program which includes taking digesters out of service for cleaning, repair, inspection and TSSA approval. In 2015 work will primarily target a Niagara Falls WWTP digester which is in need of major rehabilitation. Note that the full scope of the work / repairs / rehabilitation is unknown until the digester is fully dewatered and inspected.
Niagara Regional Housing		
NRH - Building Capital	2,045,279	This category includes all capital work related to the building structure and those components contained within. For example it includes, but is not limited to: roof replacement; exterior protection of the building through replacement/extensive repairs of siding, basement walls and bricks; as well as component replacements, elevators, HVAC units etc.
NRH - Emergency Capital	200,000	This category is used only for emergency capital work that has not been planned in the capital budget for that year or is the result of a premature building failure.
NRH - Grounds Capital	605,500	This category includes any capital work to the building and property such as driveway/sidewalk replacements, extensive landscaping including re-grading, fencing, lighting etc.
NRH - Units Capital	2,622,000	This category breaks out those capital jobs that are within the tenant's unit and personal space. Any capital work within the unit requires notice to the tenant and, in some cases, tenant consultation. There is a higher level of staff time and involvement in these types of jobs, as well as a greater likelihood of dissatisfaction if the work is not done correctly. This category would include kitchen and bathroom replacements, new windows/unit doors, appliance replacements etc.
Niagara Regional Police		
NRPS - Capital Asset Acquisitions	78,250	Purchases of various capital items for the NRPS.
NRPS - Communications Unit Equipment	4,500,000	Communications Unit Equipment
NRPS - IT Equipment Replacement	800,000	Replacement of IT equipment, including printers, servers, and computers
NRPS - Network Infrastructure	100,000	Replacement and upgrades of network and telecom components for NRPS
NRPS - Open Source Intelligence	75,000	Open Source Intelligence (OSINT)
NRPS - Vehicles	1,400,000	Replacement of NRPS vehicles
NRPS - Body Worn Video/Cameras	250,000	Purchase of body worn video/cameras



Twenty15

NIAGARA REGION BUDGET SUMMARY

Niagara Region Printing Services – June 2015

Niagara Region